

# Nebraska State College System

CHADRON | PERU | WAYNE

## BOARD OF TRUSTEES

### MEETING NOTICE

In compliance with the provisions of Neb. Rev. Stat. Section 84-1411, printed notice is hereby given that a Regular Meeting of the Board of Trustees of the Nebraska State Colleges will convene at Embassy Suites, Lincoln, Nebraska on January 13, 2021

Executive Session	January 13 –	10:00 a.m.
Business Meeting	January 13 –	1:15 p.m.

This notice and accompanying agenda are being published in the Omaha World Herald and are also being distributed to members of the Board of Trustees, the presidents of the state colleges, the Associated Press and selected Nebraska newspapers.

**BOARD OF TRUSTEES MEETING****JANUARY 13, 2021***Embassy Suites – 1040 'P' STREET*  
LINCOLN, NEBRASKA

TUESDAY, JANUARY 12

**8:00 – 3:30 Council of Business Officers Meeting Zoom****8:00 – 3:30 Council of Academic Officers Meeting Zoom****8:00 – 3:30 Council of Student Affairs Officers Meeting Zoom****3:30 – 5:00 BOARD COMMITTEE MEETINGS**  
Academic and Personnel Committee Zoom  
Student Affairs, Marketing & Enrollment  
Committee Zoom  
Fiscal, Facilities & Audit Committee Zoom

WEDNESDAY, JANUARY 13

**10:00 – 12:00 BOARD EXECUTIVE SESSION Regents Room EF & Zoom**  
**Pending Litigation & Personnel Matters****10:00 – 12:00 Student Trustees Orientation and Meeting Zoom****12:00 – 1:00 Lunch Regents Room EF****1:15 BOARD OF TRUSTEES BUSINESS MEETING Regents Room EF & Zoom**

## Call to Order

Approval of Meeting Agenda

Public Comments

## Minutes Approval

- 1 Board of Trustees of the Nebraska State Colleges - Regular Meeting - Nov 12, 2020 2:15 PM

## 1 Items for Consent Agenda

- 1.1 LB 309 Allocations and Retrievals (FFA)
- 1.2 Approve Appointment of Committee and Authorization for Chancellor to Sign Professional Services Contract for College Facility Master Plans (FFA)
- 1.3 Approve Authorization for Chancellor to Sign Construction Contracts for Chadron State College (FFA)
- 1.4 Approve Appointment of Consultant Selection Committee for Professional Services and Authorization for Chancellor to Sign Professional Services Contract for Indoor Recreational Complex for Peru State College (FFA)
- 1.5 Approve Authorization for Chancellor to Sign Construction Contracts for Wayne State College (FFA)
- 1.6 Final Round Approval of Revisions to Board Policy 8016; College Master Plans (FFA)
- 1.7 Approve Authorization for Chancellor to Sign Contract Addendum with BKD for Single Audit (FFA)

## Items for Discussion and Action

### 2. Academic and Personnel

- 2.1 First and Final Round Approval of Revisions to Board Policy 4140; Academic Program and Degree Requirements
- 2.2 First and Final Round Approval of Revisions to Board Policy 4430; Transfer of Credits and Degrees
- 2.3 Approve Addition of Master of Science in Athletic Training Program at Chadron State College
- 2.4 Approve Addition of Mental Health and Addictions Minor for Chadron State College
- 2.5 Approve Revision of Master of Business Administration with Focus Areas for Chadron State College

2.6 Approve NSCS-NAPE/AFSCME and NSCS-SCEA 2021-2023 Agreements

**3. Student Affairs, Marketing, and Enrollment**

3.1 First and Final Round Approval of Deletion of Board Policy 3600; Graduation and Approval of Board Policy 4151; Graduation

**4. Fiscal, Facilities and Audit**

4.1 First and Final Round Approval of Revisions to Board Policy 7024; Meals; Reimbursement

4.2 First and Final Round Approval of Revisions to Board Policy 9006; Revenue Bonds; Use of Surplus Funds

4.3 Approve Acceptance of Basic Financial Audit Report for Year Ended June 30, 2020

4.4 Approve Continuation of Bookstore Contract for Peru State College

4.5 Approve Continuation of Food Service Contracts

4.6 Approve 2021-2022 Room and Board Rates

4.7 Approve Contingency Maintenance Requests

4.8 Approve Program Statement Addendum Revising Project Funding and Schedule for Peterson Fine Arts for Wayne State College

4.9 Approve Reallocation of Contingency Maintenance Funds for Wayne State College

**Items for Information and Discussion**

**5. Chancellor Informational Items**

5.1 Reports of Personnel Actions

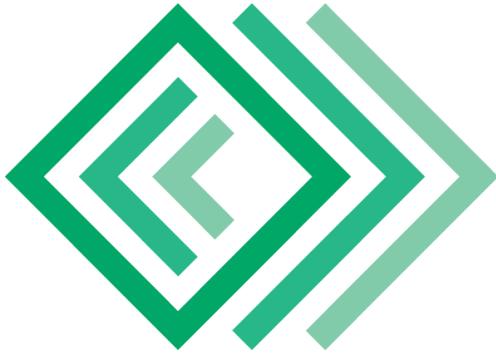
5.2 Grant Applications and Awards

5.3 Contracts and Change Orders

5.4 Chancellor's Travel Report

**6. College Informational Items**

**Adjournment**



# Nebraska State College System

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## Executive Session - November 12, 2020

### Call to Order - Executive Session

The meeting was called to order at 8:02 AM by Chair Bieganski.

Motion was made by Trustee Engles and seconded by Trustee Terrell to go into executive session as authorized by Neb. Rev. Stat. §84-1410 for the protection of the public interest, and to prevent needless injury to the reputation of persons who have not requested a public hearing for the purpose of holding a discussion limited to the following subjects:

- Litigation
- Personnel matters

Vice Chair Bieganski declared that the executive session would be strictly limited to a discussion of:

- Litigation
- Personnel matters

Motion was adopted. Voting **AYES:** Bieganski, Chaney, Engles, Peterson, Zeiss, and Terrell.

**ABSENT:** Matt Blomstedt

The Board went into executive session at 8:03 AM. The Board reconvened the open meeting at 11:52 AM.

### Adjournment - Executive Session

There being no further business, the meeting was adjourned by Chair Bieganski at 11:52 AM.

## November 12, 2020

### Call to Order

The meeting was called to order at 2:15 PM by Chairman Gary Bieganski

Attendee Name	Title	Status	Arrived
Gary Bieganski	Chairman	Present	
John Chaney	Trustee	Present	
Bob Engles	Trustee	Present	
Carter Peterson	Trustee	Present	
Matt Blomstedt	Trustee	Absent	
Jess Zeiss	Vice Chairman	Absent	
Marjean Terrell	Trustee	Present	

#### Approval of Meeting Agenda

A motion was made by Trustee Engles and seconded by Trustee Peterson to approve the Meeting Agenda. Voting **AYES:** Bieganski, Chaney, Engles, Peterson, and Terrell.

**ABSENT:** Matt Blomsted, and Jess Zeiss

#### Public Comments

No public comment.

President Marysz Rames provided a slide show outlining the Growing Together Cooperative Education Initiative in Northeast Nebraska in which Wayne State is participating. Students participating in Year 1 will be given a scholarship toward their Freshmen Fundamentals, Year 2 will be focused on Professional Development, Year 3 will focus on Professional Practice and Year 4 will focus on Cooperative Education. The 2020 cohort has 30 students participating. Wayne State is planning to have 45 students in the 2021 cohort and 75 students in the 2022 cohort.

Future plans for the initiative include growing new employer commitments, expanding the programs to Grand Island and Columbus and implementing the programs across the institution.

#### Minutes Approval

Board of Trustees of the Nebraska State Colleges - Regular Meeting - Sep 10, 2020 2:30 PM

A motion was made by Trustee Engles and seconded by Trustee Terrell to approve the minutes of the September 10, 2020 meeting. Voting **AYES:** Bieganski, Chaney, Engles, Peterson, and Terrell.

**ABSENT:** Matt Blomstedt and Jess Zeiss

**1 Items for Consent Agenda**

A motion was made by Trustee Engles and seconded by Trustee Terrell to approve the following consent agenda item(s). Voting **AYES:** Bieganski, Chaney, Engles, Peterson, and Terrell

**ABSENT:** Matt Blomstedt and Jess Zeiss

**1.1 Approve Authorization for Chancellor to Sign Managed Print/Copy Contract for Wayne State College (AP)**

WSC was nearing the end of its current managed print/copy contract. It planned to enter into a new contract with a vendor based on previously competitively bid government or multi-state compact contracts. The contract was expected to be effective December 1, 2020. The cost was expected to exceed the level at which the College can approve the contract. Thus, Wayne State was seeking approval of the authorization for the Chancellor to sign the contract.

**1.2 Approve Amendment to Dining Service Agreement for Peru State College (FFA)**

Due to the COVID-19 pandemic Peru State expected lower numbers of students on campus during the month of December. Accordingly, an amendment was needed to adjust the final 11.5 board billing days to accommodate the decreased meal plan participants.

**1.3 Approve Authorization for Chancellor to Sign Construction Contract for Peru State College (FFA)**

Peru State respectfully requested authorization for the Chancellor to sign a contract for renovations to the criminal justice department in T.J. Majors.

**1.4 Approve LB 309 Allocations and Retrievals (FFA)**

The following LB 309 allocations and retrievals were presented for Board approval per Board Policy 8065.

**Chadron State**

1. Retrieval of \$25,0993.70 for controls upgrade in Heating Plant		
Allocation Date/Amount	4/24/20	\$60,000.00
Retrieval Date/Amount	8//27/20	<u>25,093.70</u>
Estimated Project Cost		\$34,906.30

**Peru State**

1. Retrieval of \$28,209.00 for masonry repairs phase II for the Library		
Allocation Date/Amount	3/2/20	\$50,000.00

Minutes Acceptance: Minutes of Nov 12, 2020 2:15 PM (Minutes Approval)

Retrieval Date/Amount	5/22/20	<u>28,209.00</u>
Estimated Project Cost		\$21,791.00

### Wayne State

1. Allocation of \$500,000 for boiler upgrade in Energy Plant		
Allocation Date/Amount	9/21/20	\$500,000.00
College Contribution		<u>00.00</u>
Estimated Project Cost		\$500,000.00

## Items for Discussion and Action

### 2. Academic and Personnel

- 2.1 Approve Addition of Bachelor of Arts in Advanced English Studies Comprehensive Major for Chadron State College

Per Board Policy 4200, which requires all new academic programs to be submitted to the Board for approval, Chadron State sought approval to add the following undergraduate comprehensive major beginning Fall 2021:

B.A. in Advanced English Studies

The document was amended to indicate that the second ENG 232 course number and name needed to be changed to ENG 232B History of American Literature From 1865.

A motion to approve the Addition of the Bachelor of Arts in Advanced English Studies Comprehensive Major for Chadron State College was recommended by the committee to the full Board, which was approved as amended. Voting **AYES:** Bieganski, Chaney, Engles, Peterson, Terrell

**ABSENT:** Matt Blomstedt, Jess Zeiss

- 2.2 Approve Amendment to Agreement with City of Chadron for Pool for Chadron State College

On May 4, 2015 Chadron State entered into an Interlocal Cooperation Use Agreement with the City of Chadron to cooperate with each other on the basis of mutual advantage to provide access to the indoor city pool, owned and operated by the City of Chadron.

The City had requested the Agreement be extended by five (5) years due to refinancing of the City Aquatic Center Bond and had submitted an Amendment to the Interlocal Cooperation Use Agreement for Access to the Indoor City Pool. In addition to the extension, two additional changes included:

- Assurances that CSC would retain reasonable rights to use the

pool after the Agreement was terminated in September 2030, whereby reasonable rights would be negotiated in good faith between the two parties; and

- Rental payment were aligning with fifty percent (50%) of the fixed operating expenditures for each year.

A motion to approve the Amendment to the Agreement with the City of Chadron for Use of the Pool for Chadron State College was recommended by the committee to the full Board, which approved the motion. Voting **AYES:** Bieganski, Chaney, Engles, Peterson, and Terrell.

**ABSENT:** Matt Blomstedt and Jess Zeiss

2.3 Approve Agreement with Tecumseh State Correctional Institution for Peru State College to Establish the Correctional Workforce Development Pathway Program

Board Policy 7015 requires Board action for approval of all academic agreements. Peru State requested approval of an agreement with Tecumseh State Correctional Institution (TSCI) to establish the Corrections Workforce Development Pathway (CWDP) Program. This Program would create an educational pathway for PSC students who were interested in pursuing a career in Corrections, that combines course work offered by PSC and employment offered by TSCI. The purpose of the CWDP Program was to broadly prepare the next generation of leaders for the Nebraska Department of Correctional Services and was financially supported through Nebraska Legislative Bill 1008, which appropriated funding to the Department of Correctional Services that would be used to establish scholarships for students who apply for the Program.

A motion to approve the Agreement with the Tecumseh State Correctional Institution for Peru State College to Establish the Correctional Workforce Development Pathway Program was recommended by the committee to the full Board, which approved the motion. Voting **AYES:** Bieganski, Chaney, Engles, Peterson, and Terrell.

**ABSENT:** Matt Blomstedt and Jess Zeiss

2.4 Approve Elimination of Bachelor of Science Degree for Art Comprehensive Major for Wayne State College

Per Board Policy 4200; Academic Program Approval and Review Process establishes that all changes in academic program offerings be submitted to the Board for approval. Wayne State would like to seek approval to eliminate the Bachelor of Science degree option for the Art comprehensive major beginning Fall 2021. During WSC's most recent application for reaccreditation by the National Association of Schools of Art and Design (NASAD), the accrediting body expressed concern with the similarities between the BA and BS degree options and recommended the elimination of the BS option if WSC could not meet NASAD's definition of a BS degree, which requires 78 credits in the

major area of study. To address this concern, WSC was proposing that the BS degree option be eliminated for the Art comprehensive major. The BA degree option would continue to be available to students to meet the need and demand for a baccalaureate level program in Art, while eliminating unnecessary duplication within the institution.

A motion to approve the Elimination of the Bachelor of Science Degree for Art Comprehensive Major for Wayne State College was recommended by the committee to the full Board, which approved the motion. Voting **AYES**: Bieganski, Chaney, Engles, Peterson, and Terrell.

**ABSENT:** Matt Blomstedt and Jess Zeiss

### 3. Student Affairs, Marketing, and Enrollment

#### 3.1 Approve Fall Enrollment Reports

The 2020 Fall enrollment reports provide the Board an overall picture of student enrollments across the Nebraska State Colleges. The report was based upon census data as of October 15th and is consistent with IPEDS submissions and definitions to the extent possible. Total headcount for Fall 2020 had remained steady at 8,434, a slight increase of .33% from 2019. System-wide FTE for 2020 was 6,284, an increase of 1.2%. Retention had increased by 1% to 71% system-wide.

A motion to approve the Fall Enrollment Reports was recommended by the committee to the full Board, which approved the motion. Voting **AYES**: Bieganski, Chaney, Engles, Peterson, and Terrell.

**ABSENT:** Matt Blomstedt and Jess Zeiss

### 4. Fiscal, Facilities and Audit

#### 4.1 First and Final Round Approval of Revisions to Board Policy 6021; Income; Tuition, Online Rate and Dual Enrollment Rate

Proposed changes to Board Policy 6021 included clarification on the effective dates for tuition rates approved annually, and a move to nonresident, undergraduate rates at \$1 above the resident, undergraduate rate system-wide. Those proposed policy changes would be effective for the Fall Term, 2021.

A motion to approve the First and Final Round Approval of Revisions to Board Policy 6021; Income; Tuition, Online Rate and Dual Enrollment Rate was recommended by the committee to the full Board, which approved the motion. Voting **AYES:** Bieganski, Chaney, Engles, Peterson, and Terrell.

**ABSENT:** Matt Blomstedt and Jess Zeiss

4.2 First Round Approval of Revisions to Board Policy 8016; College Facility Master Plans

Currently, Board of Trustees Policy 8016; College Master Plans outlines the requirements for updating the Master Plans for each College every 10 years or less to generate biennial capital construction requests. Several revisions were being proposed to bring the policy in line with current practice, including elimination of the need for significant changes to the master plans to be approved by the Board. For more than two decades, there had been no significant revisions to the master plans at any of the three State Colleges. Additionally, any diversion from the master plan would be brought to the Board of Trustees for approval in the form of a program statement for a project not listed in the master plan, providing the Board with the opportunity to approve the project, or disapprove. The current policy framework results in a duplicative approval process by the Board of Trustees.

Second, the requirement to establish "Recommendations and priorities" had been removed to create greater flexibility for Colleges and the System to fund projects when the opportunities arise. For example, funding for the Chadron State College Stadium Replacement project was made possible through the passage of LB297 in 2016, despite the Math Science project being a significant priority for the College. The 2012 master plans for each College did not have priorities established.

Lastly, minor revisions had been made to ensure that the term "College Facility Master Plans" was used consistently throughout the policy.

A motion to approve the First Round Approval of Revisions to Board Policy 8016; College Facility Master Plans was recommended by the committee to the full Board, which approved the motion. Voting **AYES:** Bieganski, Chaney, Engles, Peterson, and Terrell.

**ABSENT:** Matt Blomstedt and Jess Zeiss

4.3 Accept Revenue Bond Audit Report for Fiscal Year Ending June 30, 2020

BKD had completed the audit report for the revenue bond programs at the Colleges for years ending June 30, 2020 and June 30, 2019. The 2002 Master Resolution called for an annual audit of the records of the revenue bond program to show revenues, fees, and earnings credited to the program, the financial condition at the close of the fiscal year,

transactions during the year, a review of insurance carried on the facilities and other buildings, the percentage of occupancy and use of the facilities, and any other matters deemed relevant and necessary to make the audit informative. The audit was a systemwide report, with information for each of the Colleges provided, along with system summaries. The audit incorporated information for the 2012, 2013, 2014, 2015, 2016, 2016B, and 2016C supplemental issues. The audit was completed on an accrual basis.

Board Policy 9005 requires that CSC and WSC maintain a minimum 125% debt service coverage and PSC a 135% debt service coverage ratio. This policy helps make our bonds attractive in the market. Historical and current ratios are shown below.

#### DEBT SERVICE COVERAGE

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
CSC	206%	191%	150%	146%	174%
PSC	320%	233%	290%	219%	221%
WSC	364%	235%	249%	280%	330%

BKD indicated that the financial statements “presented fairly, in all material respects, the financial position of the Nebraska State Colleges Student Fees and Facilities Revenue and Refunding Bond Program as of June 30, 2020 and 2019, and the changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.”

A motion to Accept the Revenue Bond Audit Report for Fiscal Year Ending June 30, 2020 was recommended by the committee to the full Board, which approved the motion. Voting **AYES:** Bieganski, Chaney, Engles, Peterson, and Terrell.

**ABSENT:** Matt Blomstedt and Jess Zeiss

#### 4.4 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)

A motion to approve the Cash Fund Adjustments was recommended by the committee to the full Board, which approved the motion. Voting **AYES:** Bieganski, Chaney, Engles, Peterson, and Terrell.

**ABSENT:** Matt Blomstedt and Jess Zeiss

#### 4.5 Approve Revised Proposed Fee Schedules

Revised Fee Schedules were attached for board approval. There were two clarifications made in the attached schedules. First, as with tuition, approved fees follow the academic year and are effective for the fall term, spring term, and trailing summer term. This was now clearly stated at the top of each schedule. Second, all three fee schedules now clearly spelled out next to the mandatory fee when they were only applicable to the fall and spring terms. While Wayne State had it spelled out in the earlier fee schedules, Chadron State and Peru State had added that clarification in the attached schedules.

There were no proposed changes to the fee amounts in the item. The fees shown in the attached schedules were those that were approved by the Board at its January 14, 2020 meeting. You may recall that Chadron and Wayne both eliminated the 12-hour cap on their Event Fees, and both increased their event fees. CSC's increase was intended to support athletic travel and home event costs. WSC's increase was to assist with the addition of women's sports. PSC added a reinstatement fee in line with the new Student Account Guidelines and for consistency among the three colleges. And WSC increased its graduation fee due to increased costs in that area.

A motion to approve the Revised Proposed Fee Schedules was recommended by the committee to the full Board, which approved the motion. Voting **AYES:** Bieganski, Chaney, Engles, Peterson, and Terrell.

**ABSENT:** Matt Blomstedt and Jess Zeiss

#### 4.6 Accept Remission Fund Award Report by Category

In accordance with the Board's Tuition Remissions Policy 3400, the Colleges had provided the Chancellor with a summary of the remission funds awarded by category. Remissions are permitted by the state, allowing the NSCS to collect either no tuition or reduced tuition from students meeting specific criteria that are approved by the Board. The categories approved by the Board are spelled out in Board Policy 3400.

A motion to Accept the Remission Fund Award Report by Category was recommended by the committee to the full Board, which approved the motion. Voting **AYES**: Bieganski, Chaney, Engles, Peterson, and Terrell.

**ABSENT:** Matt Blomstedt and Jess Zeiss

## Items for Information and Discussion

### 5. Chancellor Informational Items

#### 5.1 2025 Strategic Plan Update

During the July 2020 Board of Trustees retreat, an update was provided on the most recent performance metrics data for the 2025 Strategic Plan. During the review of the updated document, it was noted that the Strategic Planning Task Force would need to be engaged to review and make recommendations on three indicators resulting from a change in peer institutions and an alternative approach to calculating unmet need for students. These three performance indicators included:

- Indicator 18 - Average Net Price Compared to Peers
- Indicator 19 - Average Spending Per Degree Compared to Peers
- Indicator 20 - Student Unmet Need

Two final indicators that had not previously been presented to the Board had recently become available once the Workforce Placement Dashboard was completed. This data tool made it possible to identify graduate placement over the past four years, reflecting both "Overall Placement" and "Placement in Key Workforce Areas." These two performance indicators have been identified as Indicator 10 and 11 in the Strategic Plan report:

- Indicator 10 - Overall Resident Undergraduate Completer Placement in Nebraska
- Indicator 11 - Resident Undergraduate Placement in Nebraska in Key Workforce Areas

The campus Task Force members joined a video conference on October 22, 2020, to review preliminary recommendations related to each of these five performance indicators. Following the session, Task Force members were provided an opportunity to submit feedback using an online survey tool to develop recommendations for the Board of Trustees to consider. These recommendations were discussed with the Board of Trustees during the meeting.

#### 5.2 Reports of Personnel Actions

The personnel action reports were provided to the Board for information

### 5.3 Waiver of ACT/SAT Scores for Board of Trustee Scholarships

COVID-19 and the corresponding cancellations of ACT and SAT testing dates continue to impact the ability of students to meet minimum requirements set forth in Board Policy 3400 for the Board of Trustees' Scholarships for the upcoming 2021-22 academic year. In Board Item 2.4 approved at the June 2020 Board meeting, the Board granted to the Chancellor the authority to temporarily grant exceptions to and/or temporarily waive Board of Trustees Policy requirements in response to the COVID-19 emergency.

Pursuant to that authority and in consultation with the Student Affairs, Marketing and Enrollment Committee, in order to ensure the ACT/SAT scores did not prevent otherwise qualified students from being eligible for the Board of Trustees' Scholarship for the 2021-22 academic year, the Chancellor was temporarily waiving the minimum ACT/SAT requirements set forth in Board Policy 3400. Rather, Colleges can draw upon student GPA and class rank (if available) to demonstrate academic excellence and potential consistent with the significance and expectations of the scholarship.

As more Colleges and Universities have moved away from reliance on standardized test scores for admission and scholarship decisions, we would also evaluate the value of the ACT/SAT scores as an eligibility criteria for system-level scholarships and other programs.

### 5.4 Student Trustee Selection Update

Jon Hansen, CSC; Jesse Dorman, PSC; and CD Douglas, WSC, would coordinate the 2021-22 Student Trustees' nomination process at their respective colleges. Nominations from each College were due to the System Office by Friday, November 13. Governor Ricketts receives a booklet of all nominations from the System Office from which he selects the new student trustees. Newly selected student trustees would be invited to join the current student trustees at the January and March 2021 Board Meetings.

### 5.5 Year End Revenue Bond Expenditure Reports

The year-end revenue bond expenditure reports from each of the Colleges were provided to the Board for information, as per Board Policy 6011 and the Master Resolution.

### 5.6 Grant Applications and Awards

Board Policy 6024 requires the reporting of grant awards and applications to the Board as information, if they do not have a state maintenance of effort or future fiscal responsibility.

In addition to providing the grant applications and awards for

information in their usual format, Chadron State and Wayne State had provided additional information about their TRIO programs. Peru State provided an update at the last Board Meeting on their Student Support Services grant award.

The TRIO programs are very important to the NSCS. All three Colleges have participated in the Student Support Services component of the TRIO Programs for many years. These Student Support Services grants have a stated goal to increase the college retention and graduation rates of its participants. In addition, Chadron State had also participated in the Upward Bound TRIO program for many years. The Upward Bound program's goal is to increase the rate at which participants complete secondary education and enroll in and graduate from institutions of postsecondary education.

The applications and awards are as follows:

#### Chadron State Application

- CARES Act Child Care Stabilization Funds (NE Department of Health and Human Services) -- \$5,500

#### Chadron State Awards

- Child Development Center Child Care Subsidy (Child Care and Development Block Grant) -- \$16,000\* estimated on historical data - funds direct payment of child care based on attendance and need
- Child Development Center Child Food Service Program (U.S. Department of Agriculture) -- \$11,000\* estimated on historical data - funds direct payment based on meals served
- NASA Nebraska Space Grant Fellowship FY21 (National Aeronautics & Space Administration [NASA]) -- \$3,000
- TRiO - Student Support Services (U.S. Department of Education) -- \$285,864 year one (1) of five (5) year grant
- Update Key and Species Descriptions of Six Western Rangeland Grasshoppers with Emphasis on Oklahoma Distributions (Western Rangeland Grasshoppers Tool Update) Addendum (USDA-APHIS) -- \$11,070
- Upward Bound (U.S. Department of Education) -- \$297,597 year four (4) of five (5) year grant

#### Wayne State Application

- Wildcat Initiative for STEM Education (WISE) (National Science Foundation [NSF] Robert Noyce Teacher Scholarship Program) - \$1,081,947 over 5 years (2021-2026)

#### Wayne State Award

- TRiO Student Support Services (U.S. Department of Education) -- \$366,726 year one (1)

### 5.7 Capital Construction Quarterly Reports

Pursuant to Board Policy 8050, Capital Construction Progress Reports from each of the Colleges are provided to the Board for information on a quarterly basis. For the Capital Construction Quarterly Reports for the period ending September 30, 2020, the following highlights are provided to the Board.

- At Chadron State College, the Math Science Addition & Renovation report indicated that the majority of design was completed. The construction bid drawings were complete and the Construction Manager was in the process of collecting subcontractor bids for the purpose of establishing the Guaranteed Maximum Price (GMP). The ceremonial ground-breaking for the Math Science project occurred on September 11, 2020. With regard to the Stadium Complex project, the substantial completion for the Phase II Track Facility occurred on September 9, 2020, and the ribbon-cutting ceremony with donors and the CSC Track teams was celebrated the following day. Thus, the entire Stadium Complex project was one step closer to final completion.
- At Peru State College, the Delzell Renovation project had been kept open for the 309 Task Force funded Campus ADA Accessibility Improvements project, because Delzell site ADA improvements which were contracted at the same time as the 309 Task Force project, were still under construction. However, both ADA projects were anticipated to be completed this Fall term. The Theatre project (Performing Arts Center) was very near final completion and close-out.
- At Wayne State College, Benthack Hall Renovation had been under construction for two months (as of 9/30/2020), and great progress was occurring with interior demolition, the start of wall framing on first floor, and floor structural repairs. The Kirk Gardner Indoor Athletic Complex (formerly the Natatorium) was substantially complete on September 16, 2020, and became available for student athletes in sports such as football, baseball/softball, and volleyball to begin utilizing the facility for indoor practices. The Press Box Replacement project was very near final completion and close-out.

In total, seven interim reports from the three Colleges were provided in the attachments to include the following:

#### Chadron

1. Math Science Addition & Renovation - Interim report
2. Stadium Facility - Interim report

#### Peru

1. Delzell Renovation - Interim report

## 2. Theater Renovation - Interim report

## Wayne

1. Benthack Hall Renovation - Interim report
2. Indoor Athletic Complex Renovations - Interim report
3. Press Box Replacement - Interim report

## 5.8 Contracts and Change Orders for Information

Pursuant to Board Policies 7015, 7016, and 8065, the following contracts and change orders were provided to the Board for information. General highlights of noteworthy contracts and change orders for each College included:

- At Chadron State College, the information mainly consisted of smaller contracts and change orders for the Math Science project and the temporary labs and classrooms constructed for the project. There were also two modest change orders for the Andrews Hall Elevator project.
- At Peru State College, information included contracts for custodial services at \$250,560 and a 1% for Art contract for the Performing Arts Center at \$16,260.
- At Wayne State College, contracts information included a 309 Task Force funded steam system repairs project, a small carpet contract for the Press Box, a small materials testing contract for the Benthack project, and a consulting contract of \$56,935 for recruitment and retention analysis. The change orders information included relatively small items for the Indoor Athletic Complex, the Benthack Renovation, and the Parking Lot West of Fine Arts projects.
- All three Colleges had substantial contracts reported for COVID-19 testing, or for COVID-19 quarantine accommodations.

Individual contracts and change orders for each of the three Colleges and the System Office were included in the attachments and included the following:

## Chadron State Contracts

- Math Science Addition and Renovation (inventory of radioactive materials on campus) -- \$5,885.26
- Athletics (COVID Testing) - not to exceed \$10,000
- Math Science Addition and Renovation (storage unit) not to exceed \$7,595
- Math Science Addition and Renovation (hazardous chemical removal) -- \$14,855

## Chadron State Change Orders

- Math Science Addition and Renovation (#2-removal of 35 sinks) -- \$5,250
- Math Science Addition and Renovation (#1-credit for unused items) - (\$4,777)
- Andrews Elevator Replacement (#2-electrical control disconnect switch and shunt trip breaker box) -- \$6,306.53
- Andrews Elevator Replacement (#3-install sheet metal angles at elevator shaft shelves) -- \$828.80
- Brooks Hall Roof Replacement (#1-addition of gutter and downspout) -- \$940
- Math Science Addition and Renovation (#1-increase in chemicals to be removed) - not to exceed \$28,605

#### Peru State Contracts

- Campuswide (temporary custodial services) - not to exceed \$250,560
- Performing Arts Center (1% for Art) -- \$16,260
- Campuswide (COVID-19 testing - Chancellor approved due to COVID-19 per Board Policy 7010) - not to exceed \$200,000

#### Wayne State Contracts

- Campus Steam System near Berry Hall (steam piping repair and modifications) -- \$56,181
- Student Financial Services Office (financial aid consultant services) -- \$90 per hour
- Off Campus (room rental with Super 8 Motel for quarantined/self-isolated students due to COVID-19) -- \$87,210
- Campuswide (on-premise software/access to on-demand services and shared device license) -- \$64,152 (\$21,384/year for 3 years)
- Stadium Press Box (remove and salvage existing carpet in the elevator lobby, Room ST3\_3 and install carpet tiles with the WSC paw logo and carpet tiles for border and provide/install transitions and wall base) - not to exceed \$3,587
- Benthack Hall (provide quality control testing and engineering services for renovation project) -- \$5,173.50
- Campuswide (consulting services) -- \$59,535

#### Wayne State Change Orders

- Indoor Athletic Complex (#1-extend 2 curbs to accommodate the exhaust vent hoods; repair broken panel of concrete sidewalk, and repair damaged Freon link) -- \$192.81
- Campuswide (#1-one-time cost decrease for an additional institution having joined the KANE group) (\$1,593)
- Benthack Hall (#1-removal of approximately 3,720 square feet of carpet and tile from Rooms 140, 212 and 214) -- \$8,400
- Benthack Hall (#1-additional air clearances due to additional abatement services on 1<sup>st</sup> and 2<sup>nd</sup> floors, south wing) -- \$1,125
- Stadium Drive to Bebee Plaza (\$2-repair one step area on stair #2) -- \$280

- Campuswide (#1-trash service will change from M/W/F to 5 days a week [M-F]; monthly garbage rate will increase from \$6,045 to \$8,778; rate to add or remove trash tote from service will change from \$78 to \$130 per month; garbage and recycling services to the Criminal Justice Lab will be eliminated; and effective 9/1/2020, contractor will become Waste Connections of Nebraska, Inc. due to buyout of Gill Hauling) -- \$29,412.55
- Parking Lot West of Peterson Fine Arts Building (#2-reroute existing underground storm drain piping, reconnect sprinkler lines and extend sprinkler line) -- \$5,742

Nebraska State College System Office

- Nebraska State College System Office (weekly cleaning services) -- \$220/month

5.9 Chancellor's Travel Report

The Chancellor's Travel Report was provided to the Board for information.

**6. College Informational Items**

**i. Remind Board Representatives of Fall 2020 Commencement (TBD)**

The following Board representatives would be participating at the Colleges commencement exercises:

Gary Bieganski at Chadron State College  
 Bob Engles and John Chaney at Peru State College  
 Carter 'Cap' Peterson at Wayne State College

**ii. Student Trustees' Reports**

CSC Student Trustee Klueber reported that the Diversity Club gave rise to diversity representation on the Student Senate and students and the Student Senate led an initiative to get students to vote in the election. The initiative was successful as the students became excited about expressing their voice in the election and voted. The students are continuing to work through the challenges of the issues presented this year.

Student Trustee Klueber also noted that the 2<sup>nd</sup> Annual Mini Big Event was held and 40 volunteers completed 10 jobs in the Chadron community. The Food Bank is also continuing to address food insecurities within the students at Chadron State College.

PSC Student Trustee Harms indicated that the saliva tests are going well and seem to be more successful as more students are taking the test than were previously. Residence Life is asking students to take the test and then entering them in a raffle for prizes.

Student Trustee Harms also noted that the ceiling had been redone and the walls repainted in the game room. The art students were painting a mural on one of the walls and it would be revealed on November 19. A racial reconciliation team has been established to develop a plan/process to facilitate a meaningful dialogue on race that will lead to continuous growth and development on campus. The team is made up of students, faculty, staff and alumni.

WSC Student Trustee Jaixen reported that students were preparing for finals as the semester was winding down. A first generation week was celebrated during the week of November 2 with coffee and hot chocolate for students, a Tik Tok challenge, a selfie challenge with Willy the Wildcat and yard signs posted with first generation facts.

Student Trustee Jaixen also indicated that the athletic teams were having scrimmages, the Counseling Center had conducted a destressed week and yoga activities for students, and tours for possible students were still being held every day. The Student Activity Board had done a great job providing to-go activities for the students.

## Adjournment

The meeting was adjourned at 4:23 PM

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Paul Turman, Chancellor

The meeting notice and agenda have been published in the Omaha World Herald on November 4, 2020 and posted on the Omaha World Herald website. The meeting notice and agenda have also been distributed via email to members of the Board of Trustees, the presidents of the State Colleges, the Associated Press and selected Nebraska newspapers.





**ITEMS FOR CONSENT AGENDA**

January 13, 2021

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***ACTION:*                                    Approve Authorization for Chancellor to Sign Construction Contracts for Chadron State College (FFA)**

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Chadron State requests the Chancellor be given authorization to sign contracts for the following projects:

- Construction of a fire pit with Student Senate activity fees - Approximately \$100,000
- Complete the Crites Hall elevator upgrade with contingency maintenance funds
  - Approximately \$220,000
- Replace a chiller in the Student Center with contingency maintenance funds
  - Approximately \$150,000

Authorizing the Chancellor to sign construction contracts in amounts not to exceed available funding will allow the projects to proceed, and to attain completion in a timely manner.

The System Office and Chadron State College recommend approval of the Authorization for Chancellor to Sign Construction Contracts for Chadron State College (FFA).

## ITEMS FOR CONSENT AGENDA

January 13, 2021

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***ACTION:***                                **Approve Appointment of Consultant Selection Committee for Professional Services and Authorization for Chancellor to Sign Professional Services Contract for Indoor Recreational Complex for Peru State College (FFA)**

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Peru State recommends the appointment of the following individuals to a Professional Consulting Services Selection Committee for its upcoming Indoor Recreational Complex pursuant to Board Policy 8066.

John Chaney, Chair, Fiscal, Facilities & Audit Committee, Board of Trustees  
 Bob Engles, Chair, Student Affairs, Marketing & Enrollment Committee, Board of Trustees  
 Steve Hotovy, Vice Chancellor for Facilities & Information Technology and Architect, NSCS  
 Wayne Albury, Athletic Director and Head Baseball Coach, PSC  
 Debbie A. White, Vice President for Administration & Finance, PSC  
 Darrin Reeves, Director of Facility Services, PSC  
 James (J.L.) Thomason, Head Softball Coach, PSC

At the conclusion of the selection process, a contract will be negotiated with the highest ranking firm. The firm selected will provide professional services to include design development, construction documents and construction administration of the project.

Peru State requests authorization for the Chancellor to sign a professional services contract for the Indoor Recreational Complex at a cost not to exceed available funding. Authorization for the Chancellor to sign the professional services contract will assure the project will be able to move forward upon completion of the selection process.

The project will use a combination of Sports Facility Cash funds (\$925,000) which have been approved by the Board of Trustees, including \$25,000 in October of 2020, plus annual \$300,000 allotments beginning October 1, 2022. Additional funding will be a combination of possible state funds, cash funds, capital improvement funds, and private/Foundation funds.

The System Office and Peru State College recommend approval of the Appoint Consultant Selection Committee & Authorize Chancellor to Sign Contract for Peru State (FFA).



**ITEMS FOR CONSENT AGENDA**

January 13, 2021

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**ACTION: Final Round Approval of Revisions to Board Policy 8016;  
College Master Plans (FFA)**

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Currently, Board of Trustees [Policy 8016; College Master Plans](#) outlines the requirements for updating the Master Plans for each College every 10 years or less to generate biennial capital construction requests. Several revisions are being proposed to bring the policy in line with current practice, including elimination of the need for significant changes to the master plans to be approved by the Board. Over the past twenty years or more, there have been no significant revisions to the master plans at any of the three State Colleges. Additionally, any diversion from the master plan would be brought to the Board of Trustees for approval in the form of a program statement for a project not listed in the master plan, providing the Board with an opportunity to approve the project, or disapprove. The current policy framework results in a duplicative approval process by the Board of Trustees.

Second, the requirement to establish "Recommendations and priorities" has been removed to create greater flexibility for Colleges and the System to fund projects when the opportunities arise. For example, funding for the Chadron State College Stadium Replacement project was made possible through the passage of LB297 in 2016, despite the Math Science project being a significant priority for the College. The 2012 master plans for each College did not have priorities established.

Lastly, minor revisions have been made to ensure that the term "College Facility Master Plans" is used consistently throughout the policy.

The System Office recommends approval of the Revisions to Board Policy 8016; College Master Plans (FFA).

**ATTACHMENTS:**

- Revisions to Board Policy 8016 (PDF)

## FACILITIES, NEBRASKA STATE COLLEGE SYSTEM

**POLICY: 8016 College Facility Master Plans**

**Page 1 of 1**

### BOARD POLICY

~~College Facilities~~ Facility Master Plans shall be developed by each College, using the services of a professional person or firm with experience and qualifications in producing such a document. The College Facility Master Plan shall include the following sections:

1. History of College
2. Description of College Facilities
3. Purpose and Objectives of the Master Plan
4. Analysis, Observations, Conclusions and Recommendations related to the following components:
  - a) Academic Space Utilization
  - b) Land Use and Function
  - c) Circulation and Parking
  - d) Aesthetics and Open Space
  - e) Utilities
  - f) Landscape Design

Displays to be inserted in the ~~campus master plans~~ College Facility Master Plans should include photographs and line drawings that provide an overview of the six (6) components listed above.

Each ~~Campus~~ College Facility Master Plan shall be submitted to the Board for approval. ~~Significant changes to the campus master plan which affect the recommendations or priorities will also be submitted to the Board for approval.~~ The College Facility Master Plans shall be updated every ten (10) years or less, if needed. With Board approval, the update of College Facility Master Plans may be extended by no more than twenty-four (24) months.

~~Recommendations and priorities~~ Proposed facility projects included in the College Facility Master Plans shall be the basis for biennial capital construction requests for state general funds, unless the institution can justify any deviation therefrom.

Legal Reference: RRS 81-1114.01

Capital construction project; plan required; contents; revisions required; when; to whom submitted

Policy Adopted: 3/11/94

Policy Revised: 1/12/10

Policy Revised:

**ITEMS FOR CONSENT AGENDA**

January 13, 2021

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***ACTION:***                                    **Approve Authorization for Chancellor to Sign Contract Addendum with BKD for Single Audit (FFA)**

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The System Office requests authorization for the Chancellor to sign a contract addendum with BKD to complete the Nebraska State College System Single (federal) Audit.

The federal audit would normally be approved at the January meeting, however the audit is delayed pending the release of the federal audit requirements regarding the Coronavirus Aid, Relief, and Economic Security (CARES) Act funding. This funding will be included in the NSCS's FY20 federal audit. The NSCS received \$4,430,180 in funding from the CARES Act, of which at least 50% was required to be provided in emergency financial aid grants to students. WSC received an additional \$123,516 of funds as part of the Strengthening Institutions Program.

Once the audit requirements are released, a contract addendum will be necessary to include the CARES Act funding in the federal audit. Auditing of the CARES Act as a major program is required because the NSCS received more than \$750,000 in CARES Act Funding and audit of these funds was not included in the original scope of the contract with BKD.

The federal audit is funded through College cash funds.

Authorization for the Chancellor to sign the addendum will assure the federal audit continues to move forward in a timely manner once the audit requirements are released.

The System Office recommends approval of the Authorization for Chancellor to Sign BKD Contract Addendum for Single Audit (FFA).



## ACADEMICS, NEBRASKA STATE COLLEGE SYSTEM

## POLICY: 4140 Academic Program and Degree Requirements

Page 1 of 3

## BOARD POLICY

All academic undergraduate degrees and programs in the Nebraska State College System shall conform to the following descriptions and definitions when prescribing degree, program and graduation requirements for completion of the Bachelor of Arts (BA) and Bachelor of Science (BS) degrees. The Bachelor of Applied Science (BAS) degree is designed to accommodate transfer students who have completed a technical associate degree from an accredited community or technical college or the equivalent in prior course work and life experience. Degrees and programs are based upon a unit of educational measurement referred to as a credit hour. A credit hour is defined in Board Policy 4141.

- Degree --** The academic award bestowed on an undergraduate student who completes 120 unduplicated credit hours and meets other academic requirements, including, but not limited to, sufficient credits in the major, general studies, upper division level courses, and a minimum grade point average overall and in the major. Bachelor of Arts and Bachelor of Science degrees shall include a minimum of thirty-six (36) ~~forty (40)~~ credit hours of upper division coursework, and the Bachelor of Applied Science degree shall include a minimum of twenty (20) credit hours of upper division coursework. Supportable and articulated requests for exceptions to the one hundred twenty (120) unduplicated credit hour requirement must be submitted to the Board for approval. Due to licensure requirements, teacher education field endorsement programs and the Certified Public Accountant (CPA) program are hereby granted exception to the 120 credit hour requirement and may require more than one hundred twenty (120) credit hours.
- Subject Major --** An academic program that concentrates on an academic discipline and ranges from thirty (30) to thirty-six (36) credit hours. A subject major shall be combined with a minor or second major to lead to a degree.
- Comprehensive Major --** An academic program that represents an expanded study of a discipline and leads to a degree. It may consist of a core and an option and ranges from at least forty-eight (48) credit hours to no more than fifty-seven (57) credit hours.
- BAS Major --** An academic program that ranges from thirty (30) to forty (40) credit hours of coursework that will prepare individuals for management and/or leadership opportunities.
- Core --** A cluster of courses in a comprehensive major that comprises the foundation for all options and shall include a minimum of twelve (12) credit hours. A core leads to a degree when combined with an option/concentration.
- Option/  
Concentration --** A series of courses within a comprehensive major that, when combined with a core of courses, if required, leads to a degree. An option or concentration is a sub-specialty of a major and shall include at least eighteen (18) credit hours.
- Minor --** An academic program that concentrates on a subject but does not in itself lead to a degree. A minor shall range from eighteen (18) to twenty-one (21) credit hours.
- Endorsement --** A series of courses which leads to teacher certification in accordance with standards established by the Nebraska State Department of Education (NDE). The number of credit hours required to complete a field endorsement shall not exceed the minimum credit hours required by NDE by more than ten percent (10%) for endorsements with fifty (50) or more minimum credit hours established. The number of credit hours required to complete a field endorsement with fewer than fifty (50) minimum credit hours established, or a subject endorsement, shall not exceed the minimum credit hours required by NDE by more than twenty percent (20%).

## ACADEMICS, NEBRASKA STATE COLLEGE SYSTEM

## POLICY: 4140 Academic Program and Degree Requirements

Page 2 of 3

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- Certificate --** A cluster of courses that develops specific knowledge and/or skills and supports an occupational outcome or industry certification. This credential does not in itself lead to a degree. An undergraduate certificate shall range from nine (9) to fifteen (15) credits of predominantly upper division courses.
- General Studies Program --** A series of courses designed to assist the student in acquiring the intellectual foundation that will last for a lifetime of learning and that will result in the graduation of students who are intellectually curious, proficient in their own field of study, knowledgeable and informed in the affairs of the world, and able to participate in society in a manner that will emphasize the role of individual contributions in the development of a better world.
- The general studies program shall be clearly aligned to established student learning outcomes and range from thirty (30) to thirty-seven (37) credit hours. The number of general studies program credit hours may be extended up to forty (40) if an upper division (300 or above) capstone course is included in the requirements and provides students with a culminating general studies experience. Upper division coursework may be included as options for students to select to meet general studies requirements, but only the general studies capstone course shall be mandated as an upper level course requirement.
- All academic graduate degrees and programs in the Nebraska State College System shall conform to the following descriptions and definitions when prescribing degree, program and graduation requirements for completion of a graduate degree. Programs may include a culminating experience, such as a thesis, internship, comprehensive examination, a scholarly/creative/action research project, nationally normed instruments, simulations, practicums or other valid experiences appropriate to a student's degree program as determined by the discipline and/or a student's graduate committee.
- Degree --** The academic award bestowed on a student who completes a minimum of thirty (30) credit hours in an academic discipline and meets other academic requirements, including, but not limited to, completion of a baccalaureate degree, sufficient credits in the graduate core, and a minimum overall grade point average.
- Graduate Major --** A set of core courses that comprise the foundation for a graduate degree and addresses the established accreditation and/or professional graduate standards for the program.
- Focus Area --** A cluster of courses that concentrate on a specific area of specialization within a larger academic discipline. A focus area shall include a minimum of twelve (12) credit hours.
- Certificate of Advanced Studies --** A cluster of courses that concentrate on specific knowledge and/or skills aligned to an area of specialization or industry certification. These courses are available to non-degree seeking students; however, they may also be used toward the completion of a graduate degree. A certificate of advanced studies shall include a minimum of nine (9) credit hours.
- Thesis --** A document that presents the student's formal research and findings on a topic related to the student's field of interest. The format should conform to the most current professional standard of the discipline.
- Internship --** A meaningful work experience that allows the student to apply classroom theoretical knowledge and skills in a practical work setting and develop related job skills under the guidance of trained and established professionals.

ACADEMICS, NEBRASKA STATE COLLEGE SYSTEM

POLICY: 4140

Academic Program and Degree Requirements

Page 3 of 3

**Comprehensive Examination --**

A summative assessment over a program of study, administered in oral or written form, that includes questions regarding course work and other materials relevant to the student's field of study.

**Scholarly/Creative/Action Research Project --**

A scholarly or creative work that does not necessarily conform to the format of a thesis. The project should relate to the student's area of interest and professional practice.

Policy Adopted: 2/23/95  
Policy Revised: 6/2/11  
Policy Revised: 1/12/16  
Policy Revised: 9/9/16  
Policy Revised: 6/16/17  
Policy Revised: 1/14/20  
Policy Revised:

Attachment: Revisions to Board Policy 4140 Academic Program and Degree Requirements (2828 : Revisions to Board Policy 4140; Academic

**ITEMS FOR DISCUSSION AND ACTION\ACADEMIC AND PERSONNEL**

January 13, 2021

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***ACTION:* First and Final Round Approval of Revisions to Board Policy 4430; Transfer of Credits and Degrees**

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This board policy has been revised to update the definition of "accreditation institution" and to update the principles related to both transfer of credits and transfer of degrees. Of importance is the expansion of automatically accepting the transfer of AA and AS degree programs to fully meet general studies requirements, which was previously limited to degrees from Nebraska institutions. This revised version allows these types of degrees to be automatically accepted from any accredited institution.

The System Office recommends approval of the Revisions to Board Policy 4430; Transfer of Credits and Degrees.

**ATTACHMENTS:**

- Revisions to Board Policy 4430 Transfer of Credits (PDF)

## ACADEMICS, NEBRASKA STATE COLLEGE SYSTEM

POLICY: 4430 Transfer of Credits and Degrees

Page 1 of 21

## BOARD POLICY

All College level courses, carrying a letter grade of “C-” or better, from ~~an regionally~~ accredited institutions of higher education as defined below that are applicable toward a baccalaureate degree at any State College will be received and applied by all member institutions of the Nebraska State College System toward the requirements of the baccalaureate degree. College level courses carrying a grade of P (Pass), CR (Credit), and S (Satisfactory) shall only be accepted on a course-by-course basis upon review and approval of the academic vice president; this process can be suspended by the NSCS Chancellor should these grades warrant automatic acceptance for a specific academic term due to extenuating circumstances. Such courses shall not include remedial or developmental courses.

Accredited Institution: An institution holding accreditation from one of the following accrediting bodies, unless otherwise specified: Accrediting Commission for Community and Junior Colleges (ACCJC), Higher Learning Commission (HLC), Middle States Commission on Higher Education (MSCHE), New England Commission of Higher Education (NECHE), Northwest Commission on Colleges and Universities (NWCCU), Southern Association of Colleges and Schools Commission on Colleges (SACSCOC), and WASC Senior College and University Commission (WSCUC).

Each college is authorized to determine the applicability of credits earned based on a specific degree, program and/or accreditation requirements.

Each College may give credit for education received from non-collegiate institutions. The Colleges are authorized to use the Guide to the Evaluation of Educational Experiences in the Armed Services and the National Guide to Educational Credit for Training Programs, both published by the American Council on Education, the College Credit Recommendations: The Directory of the National Program on Non-Collegiate Sponsored Instruction ~~Guide~~ published by the State University of New York, and/or college procedures to determine applicability.

## PROCEDURE

1. ~~The Council of Academic Officers shall recommend to the Council of Presidents’ procedures for transfer of credits.~~
2. With regard to transfer of credits policy, the following principles shall be followed:
  - a. ~~There must be evidence of academic quality in the sending institution, through appropriate accreditation of faculty and program content;~~
  - ~~b.a.~~ Courses completed more than seven (7) years prior require special approval by the receiving institution; and
  - ~~b.~~ ~~e.~~ A student must earn a minimum of thirty (30) credit hours at the receiving State College to earn an undergraduate degree from that college.
  - ~~c.~~ The Nebraska State Colleges will accept a total of 66 hours of coursework will be accepted from accredited two year institutions to be distributed among general education, major and minor programs, and general electives unless otherwise accepted by agreement;
3. With regard to transfer of ~~degrees~~credits policy ~~for Community College students~~, the following principles shall be followed:

## ACADEMICS, NEBRASKA STATE COLLEGE SYSTEM

POLICY: 4430 Transfer of Credits and Degrees

Page ~~21~~ of ~~21~~

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- a. ~~The Nebraska State Colleges will accept a total of 66 hours to be distributed among general education, major and minor programs, and general electives unless otherwise accepted by agreement;~~
- b. An Associate of Arts (AA) or Associate of Science (AS) degree completed at an accredited a Nebraska Community College or Nebraska Tribal College post-secondary institution that includes a minimum of 30 semester hours of general studies coursework or its equivalent will fulfill all requirements of a general studies program established at a Nebraska State College. Note that while the general studies requirements will be fully met with completion of the Associates degree, only those courses carrying grades as established above will be applied to the credit hour requirements of the baccalaureate degree.

Policy Adopted: 6/5/93  
 Policy Revised: 9/11/09  
 Policy Revised: 9/9/11  
 Policy Revised: 3/26/15  
 Policy Revised: 3/24/17  
 Policy Revised: 6/18/19  
 Policy Revised: 6/16/20  
Policy Revised:

**ITEMS FOR DISCUSSION AND ACTION\ACADEMIC AND PERSONNEL**

January 13, 2021

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***ACTION:***                                    **Approve Addition of Master of Science in Athletic Training Program at Chadron State College**

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Per Board Policy 4200, which requires all new academic programs to be submitted to the Board for approval, Chadron State seeks approval to add the following graduate program beginning Fall 2021:

M.S. in Athletic Training

The System Office and Chadron State College recommend approval of the Addition of Master of Science in Athletic Training Program at Chadron State College.

**ATTACHMENTS:**

- CSC Master of Science in Athletic Training Proposal      (PDF)

**Chadron State College  
Proposal to Add a New Master of Science Degree  
in Athletic Training**

**1. Descriptive Information**

- a. Name of Institution  
Chadron State College
- b. Name of Program  
Athletic Training
- c. Degrees/credentials to be awarded graduates of the program  
Master of Science in Athletic Training
- d. Other programs offered in this field by the institution  
No other similar program offered
- e. CIP code  
51.0913 Athletic Training /Trainer
- f. Administrative units for the program  
School of Professional Studies and Applied Sciences  
Department of Applied Sciences
- g. Proposed delivery site(s) and type(s) of delivery if applicable  
Offered at Chadron State College campus with face-to-face delivery
- h. Proposed date (term/year) the program will be initiated  
Initial offering to begin Fall 2022 or earliest Fall semester pending approval.
- i. Description, including credit hours and other requirements (program of study) and purpose of the proposed program

Athletic Trainers are multi-skilled health care professionals who collaborate with physicians to provide preventative services, emergency care, clinical diagnosis, therapeutic intervention and rehabilitation of injuries and medical conditions. They have the ability to work in a wide variety of settings and provide care to patients through the training they receive during their studies in an accredited program.

Students who earn an M.S in Athletic Training degree from a program accredited by the Commission on Accreditation of Athletic Training Education (CAATE) are eligible to sit for the Board of Certification (BOC) examination. Certified Athletic Trainers (ATCs) are able to provide a wide variety of services including primary care, injury and illness prevention, wellness promotion and education, emergent care, examination and clinical diagnosis, therapeutic intervention, and rehabilitation of injuries and medical conditions.

Certified Athletic Trainers (ATCs) provide services in a variety of settings, including the more traditional settings of professional sports, college/university & higher education, or high school athletic programs. ATCs are also becoming more common in emerging settings, such as health care administration, rehabilitation centers/clinics, military, occupational/industrial health, performing arts, physician practices, and public safety. Serving an expanding variety of settings has impacted the need for those with the knowledge and training to provide services for orthopedic injuries. As the possibilities grow, so does the demand.

One setting that is experiencing a critical need for access to Certified Athletic Trainers is high school athletic programs. This is partly due to many of the new health concerns related to injuries (i.e., concussion protocols, etc), that have occurred for athletes at the high school level. The University of Connecticut and the Kory Stringer Institute have conducted a nation-wide study, called the ATLAS project that reports how little access there is to qualified athletic trainers to serve high school athletic programs. The following links provide information about the project and the existing need related to athletic training:

<https://ksi.uconn.edu/atlas/about-atlas/>  
<https://ksi.uconn.edu/atlas/atlas-survey-and-maps/>  
<https://ksi.uconn.edu/atlas/atlas-report-2/>

This need currently exists in Nebraska and is growing for area high schools in the CSC service region. Colorado recently required licensure in order to provide medical services in high school athletic programs. Moving forward, licensure can only be attained by completing a graduate program in Athletic Training. In response to the current demand for Certified Athletic Trainers, and in recognition of the changes in degree completion requirements for certification, Chadron State is proposing the offering of the Master of Science in Athletic Training (MSAT) program.

The MSAT program has been developed to meet the requirements for accreditation by the CAATE and will include a combination of classroom, laboratory, and clinical experiences. The Standards for Accreditation of Professional Athletic Training Programs are used to prepare professional athletic trainers. Each institution is responsible for demonstrating compliance with these Standards in order to obtain and maintain recognition as a CAATE-accredited professional athletic training program.

Standard 2 of the CAATE was recently updated to mandate that accredited professional athletic training programs must result in the granting of a Master's degree in Athletic Training. The previous degree requirement for certification was a Baccalaureate level program. The established timeline for compliance with the change in degree requirement from Baccalaureate to Masters level states that current Baccalaureate programs may not admit, enroll, or matriculate students into the athletic training program after the start of the fall term 2022, which aligns with the timeline that CSC has established for implementation of this new program.

In addition, Standard 2 of the CAATE requires that the program be identified as an academic athletic training degree in all institutional academic publications. The degree must appear on the official transcript similar to normal designations for other degrees at the institution.

Program assessments will consist of a (1) mid-program review at the end of the first year of the program and (2) the BOC Exam at the completion of the program. The mid-program review will consist of a written exam using questions from the NATA practice exams covering the first year of courses. The final assessment will be the completion rate of the students in the program who

successfully pass all requirements for certification by NATA. These data will be analyzed to determine effectiveness of curricula and make adjustments as needed.

### Master of Science in Athletic Training

Program Requirements: Students must complete the following requirements upon admittance into the Master of Science in Athletic Training program.

Course Prefix	Course Number	Course Title	Course Credits
AT	501	Clinical Education I	1
AT	502	Clinical Education II*	1
AT	503	Clinical Education III*	1
AT	504	Clinical Education IV*	1
AT	523	Foundations of Athletic Training I	2
AT	524	Foundations of Athletic Training II*	2
AT	527	Lower Extremity Examination & Treatment	2
AT	528	Upper Extremity Examination & Treatment	2
AT	529	Athletic Training Administration	2
AT	539	Advanced Emergency Medical Techniques	2
AT	540	Therapeutic Modalities	2
AT	541	Therapeutic Exercise	2
AT	547	Advanced Nutrition for Sport & Wellness	3
AT	605	Clinical Education V*	1
AT	606	Clinical Education VI	1
AT	610	General Medical Conditions	2
AT	611	Pharmacology	3
AT	615	Research Process & Practice	2
AT	629	Head & Neck Examination & Treatment	2
AT	634	Principles of Strength and Conditioning	3
AT	690	Internship	3
AT	691	Athletic Training Capstone I	3
AT	692	Athletic Training Capstone II	3
<b>Total</b>		<b>*Requires a Prerequisite</b>	<b>46</b>

#### New Course Catalog Descriptions:

The following are catalog descriptions for new courses added to support the program.

#### AT 501 Clinical Education I (1 cr)

Integration of educational competencies and clinical proficiencies with classroom instruction and supervised field-based experience.

#### AT 502 Clinical Education II (1 cr)

Integration of educational competencies and clinical proficiencies with classroom instruction and supervised field-based experience. Prerequisites: Formal acceptance for progression into the Master's Degree in Athletic Training and AT 501.

#### AT 503 Clinical Education III (1 cr)

Integration of educational competencies and clinical proficiencies with classroom instruction and supervised field-based experience. Prerequisites: Formal acceptance for progression into the Master's Degree in Athletic Training and AT 502.

**AT 504 Clinical Education IV (1 cr)**

Integration of educational competencies and clinical proficiencies with classroom instruction and supervised field-based experience. Prerequisites: Formal acceptance for progression into the Master's Degree in Athletic Training and AT 503.

**AT 523 Foundations of Athletic Training I (2 cr)**

Athletic Training Students will study the gross and functional anatomical and physiological principles of athletic injury with practical application to motor performance.

**AT 524 Foundations of Athletic Training II (2 cr)**

To provide the Athletic Training Student with the knowledge necessary to help sustain life, reduce pain, and minimize the consequences of sudden injury or illnesses.

**AT 527 Lower Extremity Examination & Treatment (2 cr)**

A systematic examination of the fundamental principles and concepts of athletic training as it relates to the prevention, evaluation, diagnosis, treatment and rehabilitation of lower extremity injuries.

**AT 528 Upper Extremity Examination & Treatment (2 cr)**

A systematic examination of the fundamental principles and concepts of athletic training as it relates to the prevention, evaluation, diagnosis, treatment and rehabilitation of upper extremity injuries.

**AT 529 Athletic Training Administration (2 cr)**

A course designed to provide the athletic training student with competencies needed to plan, coordinate and supervise administrative components of an athletic training organization including those pertaining to health care, financial, personnel and facilities management, and public relations.

**AT 539 Advanced Emergency Medical Techniques (2 cr)**

To provide the Athletic Training Student with the knowledge and skills necessary to respond and act appropriately in emergency medical situations.

**AT 540 Therapeutic Modalities (2 cr)**

Investigate and analyze indications, contraindications and biophysics of agents that aid in the healing of athletic injuries and the reduction of pain utilizing appropriate therapeutic modalities, basic therapeutic exercises and rehabilitative techniques.

**AT 541 Therapeutic Exercise (2 cr)**

Introduction to the principles of rehabilitation of sports injuries, including range of motion, pain control, balance, proprioception, strengthening, and endurance. The development of therapeutic goals and objectives, exercise gradation and methods of evaluating rehabilitation progress will be stressed.

**AT 547 Advanced Nutrition for Sport & Wellness (3 cr)**

The course examines nutritional needs across the life span, focusing on the basic nutrients and their food sources, and nutrient utilization in the human body. There will be a study of the association between nutrition and exercise performance, nutrition assessment of athletes, how to measure body composition, and the use of and controversy over ergogenic aids are explored.

**AT 605 Clinical Education V (1 cr)**

Integration of educational competencies and clinical proficiencies with classroom instruction and supervised field-based experience. Prerequisites: Formal acceptance for progression into the Master's Degree in Athletic Training and AT 504.

**AT 606 Clinical Education VI (1 cr)**

Integration of educational competencies and clinical proficiencies with classroom instruction and supervised field-based experience. Prerequisites: Formal acceptance for progression into the Master's Degree in Athletic Training and AT 606.

**AT 610 General Medical Conditions (2 cr)**

Focuses in the identification and treatment of medical conditions of the nervous, urinary, endocrine, reproductive, respiratory, gastrointestinal, cardiovascular, integumentary systems. Emphasis placed on the role the Athletic Trainer has in the prevention, evaluation, diagnosis, treatment and rehabilitation of associated conditions as directed by a supervising physician.

**AT 611 Pharmacology (3 cr)**

Introduces principles of drug therapy across the lifespan and the use of drugs as they pertain to the health care of athletes and their effect on athletic competition. An emphasis on the knowledge, skills and values required of the Athletic Trainer on pharmacological applications, including indications, contraindications, precautions, interactions, documentation and governing regulations relevant to the treatment of injury and illness in athletic training.

**AT 615 Research Process & Practice (2 cr)**

Athletic Training Students develop the skills necessary to critically review and use evidence in the field of Athletic Training. This course will introduce research topics and the data collection and application of statistical methods used in Athletic Training and related research.

**AT 629 Head & Neck Examination & Treatment (2 cr)**

A systematic examination of the fundamental principles and concepts of athletic training as it relates to the prevention, evaluation, diagnosis, treatment and rehabilitation of the head, neck and spine

**AT 634 Principles of Strength and Conditioning (3 cr)**

Instruction in basic physiological adaptations to strength and speed development, exercise prescription and testing, and facility design and safety.

**AT 690 Internship (3 cr)**

Provides a practical field-based experience incorporating educational competencies and clinical proficiencies gained throughout the athletic training program.

**AT 691 Athletic Training Capstone I (3 cr)**

A capstone course designed for research discussion of critical questions and contemporary issues and problems in athletic training/sports medicine. Athletic Training Students will prepare for the Board of Certification Exam.

**AT 692 Athletic Training Capstone II (3 cr)**

A capstone course designed for research discussion of critical questions and contemporary issues and problems in athletic training/sports medicine. Athletic Training Students will prepare for the Board of Certification Exam. Prerequisites: Formal acceptance for progression into the Master's Degree in Athletic Training and AT 691

## Plan of Study

Students will be accepted into the program by cohorts every other fall term and complete the program as a group. The program will require five semesters of coursework, which includes one summer term. Below outlines the plan of study and the sequence of coursework required for all students accepted into the Master of Science in Athletic Training (MSAT) Program.

Each course within the program will be offered once every two years, with cohorts beginning every other year. All courses offered during the first year of the program will be delivered on campus, with the exception of AT 615 during Summer I, which is delivered online to accommodate students who may wish to be off-campus beyond the completion of the two clinical education experiences. During the second year of the program, fall courses will be delivered on campus, and spring courses will be delivered online to support the student being placed off-campus for both the Clinical Education VI experience and the culminating Internship.

MSAT Plan of Study					
YEAR ONE			YEAR TWO		
Fall Semester I: 9cr			Fall Semester II: 11cr		
AT 501	Clinical Education I	1	AT 605	Clinical Education V*	1
AT 523	Foundations of Athletic Training I	2	AT 610	General Medical Conditions	2
AT 527	Lower Extremity Exam & Treatment	2	AT 629	Head & Neck Examination & Treatment	2
AT 539	Adv Emergency Medical Techniques	2	AT 634	Principles of Strength and Conditioning	3
AT 540	Therapeutic Modalities	2	AT 691	Athletic Training Capstone I	3
		<b>9</b>			<b>11</b>
Spring Semester I: 10cr			Spring Semester II: 12cr		
AT 502	Clinical Education II*	1	AT 529	Athletic Training Administration*a	2
AT 524	Foundations of Athletic Training II*	2	AT 606	Clinical Education VI*a	1
AT 528	Upper Extremity Exam & Treatment	2	AT 611	Pharmacology*a	3
AT 541	Therapeutic Exercise	2	AT 690	Internship a	3
AT 547	Advanced Nutrition for Sport & Wellness	3	AT 692	Athletic Training Capstone II*a	3
		<b>10</b>			<b>12</b>
Summer Semester I: 4cr					
AT 503	Clinical Education III*	1			
AT 504	Clinical Education IV*	1			
AT 615	Research Process & Practice*a	2			
		<b>3</b>			<b>1</b>
<b>TOTAL</b>		<b>23</b>	<b>TOTAL</b>		<b>23</b>
*requires pre-requisite a – Online Format					

## 2. Centrality to Role and Mission

The Master of Science in Athletic Training Preparation meets the role and mission of CSC and NSCS in the following ways.

- Provides a stimulating, caring, and enriching learning experience
- Provides opportunities for applied research
- Emphasizes participation in public service and service learning
- Enriches the quality of life in the region by providing education opportunities, research, service, and a program that contributes significantly to the vitality and diversity of the region.
- Provides preparation for graduate programs in Athletic Training which will be the new requirement for certification.

## 3. Evidence of Need and Demand

The U.S. Department of Labor and Statistics predicts employment of athletic trainers will surpass the average of other occupations and grow 21% from 2012-2022. As stated earlier, Standard 2 of the CAATE was recently updated to mandate that accredited professional athletic training programs must result in the granting of a Master's degree in Athletic Training. In order for CSC to provide access to an accredited program that leads to certificate in the Athletic Training field, the College proposes the offering of the MSAT degree program, which has been aligned to the accreditation standards from CAATE.

Offering the MSAT program will provide much needed access for individuals living in or near the Panhandle region to a graduate program that meets CAATE requirements. Students who complete the program and become Certified Athletic Trainers will be able to legally practice in the field, enhancing the quality of life and economic development of both the region and the State. Currently, Chadron State College has an average of 15 incoming freshman entering the Pre-Athletic Training option within the Sport and Recreation Management program. This option has only been in existence for two years, beginning with the 2019-20 academic year, which reflects the increased interest in this field of study. Based on these numbers, the cohort size for the MSAT program is set for 15 students every two years.

### Need for Programs:

- Nebraska: 5 programs (closest 300 miles)
- Colorado: 4 programs (closest 250 miles)
- Kansas: 7 programs (closest 430 miles)
- Montana: 2 programs (closest 440 miles)
- South Dakota: 4 programs (closest 330 miles)

Currently there are no Graduate Athletic Training programs offered fully online. In the State of Nebraska, there are five accredited Athletic Training programs, with the closest to Chadron offered in Kearney, which is over 300 miles away. CSC believes there is a need for a program in the western half of the State and that this program will help increase relationships with local and regional health care providers and 7-12 high schools. The closest programs in the surrounding states are identified above and reflect that there are no comparable programs available to individuals who live in the northwestern part of Nebraska and wish to pursue an accredited graduate program in athletic training.

All existing accredited programs in each state can be found on the CAATE website:

<https://caate.net/search-for-accredited-program/>.

#### 4. Adequacy of Resources

##### a. Faculty and Staff Resources

Currently Chadron State College employs three certified athletic trainers (one full-time faculty, one full-time faculty with release hours for athletic training duties, and one professional staff in athletic training who also teaches a course). This number of certified trainers exceeds the requirement of the Commission on Accreditation of Athletic Training Education (CAATE). These individuals primarily support the offering of existing undergraduate courses in this field of study; however, only one of these athletic trainers has a terminal degree needed to teach 600 level coursework. Therefore, to address the addition of the equivalent of one FTE faculty load (23 credits per year) with the new graduate courses being offered for this program, a full-time faculty position is being added to support the program and allow CSC to manage the new course loads being offered each year.

##### b. Physical Facilities

The program will utilize the current teaching locations on the Chadron State College campus. No additional physical facilities or renovations will be required.

##### c. Instructional Equipment and Informational Resources

Increases to Basic Athletic Training supplies (tape and wrap) will be necessary. Student fees will be assessed at \$25.00 per student for courses AT 527, AT 528 and AT 629 to cover the increased costs for supplies and materials needed for specific courses within the program. Initial equipment purchases will result in an additional \$2815.00 expenditure for the Year 1. A small increase in library holdings will also be necessary for the profession.

##### d. Budget Projections (see Program Expense and Program Revenue pages)

As the Expenses and Revenues tables reflect, the expenses associated with adding this MSAT program include faculty, equipment, library/information resources, and marketing. Total expenses for the first five years of the program are **\$425,225.00**. This is offset by the program's revenue, which is based solely on the tuition and fees paid by students, including specific course fees for three courses in the program. Total revenues for the first five years of the program are **\$561,421.50**.

#### 5. Avoidance of Unnecessary Duplication

As stated above, currently only 39 Master's level accredited Athletic Training programs exist nationwide, with those closest to Chadron outlined in section 3 of this proposal. Completion of an accredited graduate program is required for certification beginning 2022. With no accredited programs within 250 miles, CSC projects that this new program will meet the growing demand for Certified Athletic Trainers in the region and the State.

#### 6. Consistency with the Comprehensive Statewide Plan for Postsecondary Education

The Master of Science in Athletic Training (MSAT) program address the Coordinating Commission's goals for meeting the needs of the students and meeting the needs of the state. The MSAT program will meet the growing need for Certified Athletic Trainers across the region. Beginning Fall 2022, the Commission on Accreditation of Athletic Training Education (CAATE) will require graduate level degree completion from an accredited program to receive certification and the ability to practice. Offering a Master of Science program in Athletic Training to students within the CSC geographic area will reflect the Nebraska State College System's efforts to provide students with career-oriented training in areas of growing demand.

**TABLE 1: PROJECTED EXPENSES - NEW INSTRUCTIONAL PROGRAM**

	(FY22/23) Year 1		(FY23/24) Year 2		(FY24/25) Year 3		(FY25/26) Year 4		(FY26/27) Year 5		Total	
	FTE	Cost	FTE	Cost								
<b>Personnel</b>												
Faculty <sup>1</sup>	1	\$76,462.00	1	\$78,374.00	1	\$80,333.00	1	\$82,341.00	1	\$84,400.00	1	401,910.00
Professional	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0
Graduate assistants	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0
Support staff	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0
Subtotal	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0
<b>Operating</b>												
General Operating		\$0		\$0		\$0		\$0		\$0		\$0
Equipment <sup>2</sup>		\$3565.00		\$375.00		\$750.00		\$375.00		\$750.00		\$5,815.00
New or renovated space		\$0		\$0		\$0		\$0		\$0		\$0
Library/Information Resources <sup>3</sup>		\$1,500.00		\$1,500.00		\$1,500.00		\$1,500.00		\$1,500.00		\$7,500.00
Marketing <sup>4</sup>		\$2,500.00		\$2,500.00		\$2,500.00		\$2,500.00		\$2,500.00		\$10,000.00
Subtotal		\$0		\$0		\$0		\$0		\$0		\$0
<b>Total Expenses</b>	1	\$84,027.00	1	\$82,749.00	1	\$85,083.00	1	\$86,716.00	1	\$86,650.00	1	\$425,225.00

<sup>1</sup> The current salary and benefits for an assistant professor with a doctorate, with an additional .025% added yearly for anticipated salary increases.

<sup>2</sup> The amount needed for initial equipment purchases during Year1 (\$2815), plus an annual amount for materials needed for program coursework.

<sup>3</sup> The amount needed to ensure electronic and print materials to remain current in the field.

<sup>4</sup> The amount established for marketing of the new program, for the first four years.

**TABLE 2: REVENUE SOURCES FOR PROJECTED EXPENSES - NEW INSTRUCTIONAL PROGRAM**

	FY(22/23) Year 1	(FY23/24) Year 2	(FY24/25) Year 3	(FY25/26) Year 4	(FY26/27) Year 5	Total
Reallocation of Existing Funds <sup>1</sup>	\$0	0	0	0	0	\$0
Required New Public Funds <sup>2</sup>	\$0	0	0	0	0	\$0
1. State Funds	\$0	0	0	0	0	\$0
2. Local Tax Funds (community colleges)	\$0	0	0	0	0	\$0
Tuition and Fees <sup>3</sup>	\$107,865.90	\$118,911.90	\$107,865.90	\$118,911.90	\$107,865.90	<b>\$561,421.50</b>
Other Funding <sup>4</sup>	\$0	\$0	\$0	\$0	\$0	\$0
1						\$0
2						\$0
3						\$0
<b>Total Revenue 5</b>	<b>\$107,865.90</b>	<b>\$118,911.90</b>	<b>\$107,865.90</b>	<b>\$118,911.90</b>	<b>\$107,865.90</b>	<b>\$561,421.50</b>

<sup>5</sup>This calculation is based on a cohort of 15 students entering the program every other year and completing the courses as outlined in the Plan of Study, which includes 23 hours of credit each year. Tuition for both on-campus and online coursework is based upon 2020-2021 costs for graduate resident students, as identified at <https://www.csc.edu/businessoffice/tuition/fees/>. In addition, a program-specific fee per student is added beyond the regular cost of attendance to address the \$25 course fee per student for AT527, AT 528, and AT639, which is used to offset annual cost of program materials and supplies.

**Tuition and Fees computations per student:**

Years 1, 3, 5 (23 credits of coursework):

Fall I: 9 credits on campus \$2,734.74 + \$25.00 fee for AT527  
 Spring I: 10 credits on campus \$3,038.60 + \$25.00 fee for AT529  
 Summer I: 2 credits online, 2 credits on campus \$1,367.72  
**TOTAL: \$7,191.06 \* 15 students = \$107,865.90**

Years 2, 4 (23 credits of coursework):

Fall II: 11 credits on campus coursework \$3,342.46 + \$25.00 fee for AT629  
 Spring II: 12 credits online coursework \$4,560.00  
**TOTAL: \$7,927.46 \* 15 students – \$118,911.90**

**ITEMS FOR DISCUSSION AND ACTION\ACADEMIC AND PERSONNEL**

January 13, 2021

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***ACTION:***                                   **Approve Addition of Mental Health and Addictions Minor for Chadron State College**

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Per Board Policy 4200, which requires all new academic programs to be submitted to the Board for approval, Chadron State seeks approval to add the following four undergraduate minors beginning Fall 2021:

Mental Health and Addictions - Alcohol and Drug Counseling

Mental Health and Addictions - Criminal Justice

Mental Health and Addictions - Social Welfare

Mental Health and Addictions - Wellness

The System Office and Chadron State College recommend approval of the Addition of Mental Health and Addictions Minor for Chadron State College.

**ATTACHMENTS:**

- CSC Mental Health and Addictions Minors - Jan 2021 Final           (PDF)

**Chadron State College**  
**Proposal for Four Undergraduate Minors in Mental Health and Addictions**  
**Department of Professional Studies: Counseling Program**

**1. Descriptive Information**

- a. Name of Institution  
Chadron State College
- b. Name of Program  
Counseling
- c. Degrees/credentials to be awarded graduates of the program  
Undergraduate Minors in Mental Health and Addictions
- d. Other programs offered in this field by institution  
No similar program offered
- e. CIP code  
51.1501 - Substance Abuse/Addiction Counseling
- f. Administrative units for the program  
School of Professional Studies & Applied Sciences  
Department of Professional Studies
- g. Proposed delivery site(s) and type(s) of delivery, if applicable  
Courses vary and include both Online and On Campus modalities
- h. Proposed date (term/year) the program will be initiated  
Fall 2021
- i. Description, including credit hours and other requirements (program of study) and purpose of the proposed program:

**The Mental Health and Addictions Minors** are designed to complement a variety of undergraduate majors for students wishing to incorporate a mental health addiction focus. Four minors will be offered, which specialize in Alcohol and Drug Counseling, Criminal Justice, Social Welfare, and Wellness. Students who choose the Alcohol and Drug Counseling minor will be eligible to apply for provisional licensure as a Licensed Alcohol & Drug Counselor (PLADC) in the state of Nebraska.

**Mission:** The Mental Health and Addictions Minors provide students with an opportunity to focus on Mental Health and Addictions from four distinct perspectives: Alcohol and Drug Counseling, Criminal Justice, Social Welfare, or Wellness. In addition, CSC supports rural health by providing opportunities for students to become provisionally Licensed Alcohol & Drug Counselors (PLADC) in the state of Nebraska through the Alcohol and Drug Counseling minor.

**Student Learning Outcomes:**

- Students will identify the professional theories and techniques of addictions counseling.
- Students will explore aspects of counseling ethics and diversity.
- Students will identify medical and psychosocial aspects of addictions.
- Students will explore addictions from an alcohol and drug counseling, criminal justice, social welfare, or wellness perspective.

**Mental Health and Addictions Minors:**

A student must complete the following courses listed for each Minor.

<b>Mental Health and Addictions - Alcohol and Drug Counseling</b>		
COUN 127	LIFESPAN DEVELOPMENT	3
COUN 133	CLINICAL ADDICTION TREATMENT ISSUES	3
COUN 225	ADDICTION COUNSELING WITH GROUPS (ES3)	3
COUN 235	ALCOHOL/DRUG ASSESSMENT, CASE PLANNING, & MANAGEMENT	3
COUN 321	ADDICTION COUNSELING THEORIES AND TECHNIQUES (ES3)	3
COUN 323	ADDICTION COUNSELING ETHICS AND DIVERSITY (ES10)	3
COUN 331	MEDICAL AND PSYCHOSOCIAL ADDICTION ASPECTS (ES11)	3
<b>TOTAL</b>		<b>21</b>

<b>Mental Health and Addictions - Criminal Justice</b>		
CJ 231	INTRODUCTION TO CRIMINAL JUSTICE	3
CJ 435	DRUGS, ALCOHOL AND CRIME	3
COUN 321	ADDICTION COUNSELING THEORIES AND TECHNIQUES (ES3)	3
COUN 323	ADDICTION COUNSELING ETHICS AND DIVERSITY (ES10)	3
COUN 331	MEDICAL AND PSYCHOSOCIAL ADDICTION ASPECTS (ES11)	3
<i>Select two of the following:</i>		6
CJ 239	CRIMINOLOGY	
CJ 249	VICTIMOLOGY	
CJ 332	JUVENILE DELINQUENCY	
SW 434	POLICY ANALYSIS AND ADVOCACY	
<b>TOTAL</b>		<b>21</b>

<b>Mental Health and Addictions - Social Welfare</b>		
COUN 321	ADDICTION COUNSELING THEORIES AND TECHNIQUES (ES3)	3
COUN 323	ADDICTION COUNSELING ETHICS AND DIVERSITY (ES10)	3
COUN 331	MEDICAL AND PSYCHOSOCIAL ADDICTION ASPECTS (ES11)	3
FCS 420	LOSS ACROSS THE LIFESPAN	3
SW 231	PROFESSIONAL SOCIAL WORK	3
SW 251	HUMAN BEHAVIOR/SOCIAL ENVIRONMENT I	3
SW 332	SERVICES TO ELDERLY AND DIFFERENTLY ABLED	2
<b>TOTAL</b>		<b>20</b>

<b>Mental Health and Addictions - Wellness</b>		
COUN 321	ADDICTION COUNSELING THEORIES AND TECHNIQUES (ES3)	3
COUN 323	ADDICTION COUNSELING ETHICS AND DIVERSITY (ES10)	3
COUN 331	MEDICAL AND PSYCHOSOCIAL ADDICTION ASPECTS (ES11)	3
FCS 234	INTRODUCTION TO HEALTH AND HUMAN SERVICES	3
FCS 420	LOSS ACROSS THE LIFESPAN	3
<i>Select two of the following:</i>		6
FCS 337	GUIDANCE TECHNIQUES IN HUMAN RELATIONS, NUTRITION	
FCS 417	LIFESPAN WELLNESS (ES11)	
FCS 434	ISSUES IN HEALTH AND HUMAN SERVICES	
FCS 437	FAMILY STRENGTHS	
FCS 457	NUTRITION FOR COMMUNITY WELLNESS	
<b>TOTAL</b>		<b>21</b>

## 2. Centrality to Role and Mission

The Mental Health and Addictions Minor meets the role and mission of CSC and NSCS:

- Provide learner-centered pedagogy that promotes wellness.
- Provide experiences that foster knowledgeable and engaged leaders to enrich the High Plains region.
- Provide opportunities for participation in public service and service learning.
- Increase Panhandle and State career opportunities to meet rural mental health needs.

In addition, the CSC Counseling Addictions courses have been implemented in collaboration with a grant from the Behavioral Health Education Center of Nebraska (BHECN).

## 3. Evidence of Need and Demand

Criminal Justice Majors will benefit from a minor in Mental Health Addictions. The [Bureau of Justice Statistics](#) reported that nearly 70% of probationers reported past drug use and 32% said they were using illegal drugs in the month before their offense. Additionally, 68% of jail inmates were found to be dependent on or abusing drugs and/or alcohol.

Family and Consumer Science and Social Work Majors will benefit from a minor in Mental Health Addictions. SAMHSA's *National Survey on Drug Use and Health* reports that in 2017, approximately [18.7 million people age 18 or older had a substance use disorder in the United States](#). Careers in FCS and Social Work will likely require some knowledge of how to help clients with substance abuse.

The [Bureau of Labor Statistics](#) (BLS) projects that the field of substance abuse counseling will grow by 23% from 2016-2026. Fast job growth can mean job security and many potential openings.

Nebraska is among the fastest-growing states for substance abuse counselors. State projections show a [20.3% growth](#) in open positions from 2016-2026.

Nebraska is also one of the highest-paying states for substance abuse counselors. According to the BLS, substance abuse counselors in Nebraska earned an annual mean wage of \$53,680 in 2016, well above the national average of \$44,160.

Technically, no degree is necessary to become a substance abuse counselor in Nebraska. However, students are expected to have completed counseling-related courses at the collegiate level. CSC offers seven undergraduate and three graduate addiction courses.

## 4. Adequacy of Resources

### Faculty and Staff Resources

Current offerings at CSC are included in the proposed minor, so no new courses, faculty, or staff are necessary.

### Physical Facilities

The program will utilize the current locations of the courses currently being offered, so no additional physical facilities or renovations will be required

### Instructional Equipment and Informational Resources

No additional equipment and informational resources will be required.

### Budget Projections

No anticipated specific budget increases will be required to offer the existing courses that make up each of the four minors. No additional revenue is expected, since these minors will be completed by current students who will replace elective credit coursework with these courses to meet the overall degree requirement of 120 credit hours.

## **5. Avoidance of Unnecessary Duplication**

### Identify other similar programs offered in the state by public or private institutions.

There are no similar mental health addictions undergraduate counseling minors offered in Nebraska.

### Identify any similar programs offered within the states that are members of the Midwestern Higher Education Compact

The Counseling courses within these minors were uniquely created for and approved by the State of Nebraska, Division of Public Health—Licensure Unit. They were designed to meet licensure requirements for a Provisional License in Alcohol and Drug Counseling (PLADC). Thus, non-Nebraska programs are incomparable.

## **6. Consistency with the Comprehensive Statewide Plan for Postsecondary Education**

The Mental Health and Addictions Minors are designed to complement a variety of undergraduate Majors for students wishing to incorporate a mental health addiction focus. The offering of these four minors will prepare students to effectively address mental health and addiction challenges and contribute to the State's desire to increase the rural workforce in mental health services.

**ITEMS FOR DISCUSSION AND ACTION\ACADEMIC AND PERSONNEL**

January 13, 2021

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***ACTION:***                                    **Approve Revision of Master of Business Administration with Focus Areas for Chadron State College**

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Per Board Policy 4200, which requires all new academic programs to be submitted to the Board for approval, Chadron State seeks approval to revise the Master of Business Administration (MBA) program to include three graduate focus areas beginning Fall 2021:

Master of Business Administration - Accounting  
Master of Business Administration - Digital Marketing  
Master of Business Administration - Healthcare Management

The System Office and Chadron State College recommend approval of the Revision of Master of Business Administration with Focus Areas for Chadron State College.

**ATTACHMENTS:**

- CSC Master of Business Administration with Focus Areas(PDF)

**Chadron State College  
Proposal to Create Three Focus Areas for the  
Master of Business Administration (MBA) Program**

**1. Descriptive Information**

- A. Name of Institution:  
Chadron State College
- B. Name of Program:  
Master of Business Administration (MBA)
- C. Degrees/credentials to be awarded graduates of the program:  
Master's degree in Business Administration
- D. Other programs offered in this field by the institution:  
None
- E. CIP code:  
52.0201 – Business Administration and Management, General
- F. Administrative units for the program:  
School of Business, Mathematics, & Science  
Business Academy (aka Department of Business)
- G. Proposed delivery site(s) and type(s) of delivery, if applicable:  
Courses offered both online and on-campus face-to-face
- H. Proposed date (term/year) the program will be initiated:  
Fall 2021
- I. Description of Program:  
The purpose for updating the MBA program is to better prepare students for growing areas of business; including digital marketing, accounting (CPA), and health care management, while keeping the generalist MBA option intact. The common core of courses changes from 27 hours to 24 hours, which leaves 12 credits of coursework for program completion. Students can still continue to complete the existing MBA by choosing the “general track” and selecting from the broad listing of elective coursework, or students can replace the “general track” with a focused subset of courses by selecting and completing one of the three 12-credit Focus Areas of Accounting, Digital Marketing, or Healthcare Management. The total program hours remain unchanged at 36 hours.

**MASTER OF BUSINESS ADMINISTRATION:**

<b><u>Common Core</u></b>		<b><u>24 Credits</u></b>
ACTG 632	Managerial Accounting	3
BIS 632	Information Systems for Managers	3
FIN 631	Corporate Finance	3
MGMT 620	High Performance Leadership	3
MGMT 630	Organizational Behavior	3
MGMT 634	Business Strategy	3
MGMT 639	Legal & Social Environment of Business	3
MKTG 630	Marketing Management	3

<b><u>General Track:</u></b>		<b><u>12 credits</u></b>
ECON 637	MANAGERIAL ECONOMICS	3
<u>Select three of the following:</u>		
ACTG 638	FINANCIAL STATEMENT ANALYSIS	3
FIN 632	FINANCE FOR MANAGERS	3
MGMT 610	HUMAN CAPITAL MANAGEMENT	3
MGMT 625	BUSINESS ANALYTICS FOR MANAGERS	3
MGMT 640	US HEALTHCARE SYSTEM	3
MGMT 641	HEALTHCARE LAW & ETHICS	3
MGMT 642	HEALTHCARE MANAGEMENT	3
MKTG 625	DIGITAL MEDIA ANALYTICS	3
MKTG 634	MOBILE MEDIA MARKETING	3
MKTG 643	SOCIAL MEDIA STRATEGY	3
BA 690	INTERNSHIP IN BUSINESS	3
ACTG 560	TOPICS IN ACCOUNTING	3
BA 560	TOPICS IN BUSINESS	3
BIS 560	TOPICS IN BUSINESS INFORMATION SYSTEMS	3
ECON 560	TOPICS IN ECONOMICS	3
FIN 560	TOPICS IN FINANCE	3

**REPLACE GENERAL TRACK WITH A GRADUATE FOCUS AREA: 12 Credits****Accounting**

ACTG 638	FINANCIAL STATEMENT ANALYSIS	3
MGMT 625	BUSINESS ANALYTICS FOR MANAGERS	3

Select two of the following: 6

ACTG 533	GOVERNMENTAL AND NOT-FOR-PROFIT ACCOUNTING	3
ACTG 537	ADVANCED COST MANAGEMENT ACCOUNTING	3
ACTG 543	ADVANCED FINANCIAL ACCOUNTING	3

Other Elective courses approved in consultation with student's advisor

**Digital Marketing**

MKTG 634	MOBILE MEDIA MARKETING	3
MKTG 643	SOCIAL MEDIA STRATEGY	3
MKTG 625	DIGITAL MEDIA ANALYTICS	3
MKTG 652	DIGITAL MEDIA MARKETING CAPSTONE	3

**Healthcare Management**

MGMT 640	US HEALTHCARE SYSTEM	3
MGMT 641	HEALTH LAW & ETHICS	3
MGMT 642	HEALTHCARE MANAGEMENT	3
<u>Select one of the following:</u>		3
CA 560	HEALTH COMMUNICATION	3
MGMT 690	Healthcare Internship	3
BA 690	INTERNSHIP IN BUSINESS	3

**PROGRAM TOTAL:****36 Credits****New Course Offerings:****ACTG 638 Financial Statement Analysis (3)**

An introduction to financial statement analysis with an emphasis to investigate and evaluate past and current performance and risk of a business from the perspectives of stakeholders like creditors, investors and management.

**MGMT 625 Business Analytics for Managers (3)**

Business analytics concepts, methods, and models to support business decision making. Analyzing data to systematically find trends, patterns, and associations using statistics, optimization, simulation, modeling, and visualization to transform data into actionable information

**MGMT 640 US Healthcare System (3)**

This course provides an overview of the United States Healthcare System. Continuing Impact of the Affordable Care Act is studied. An introduction to the definitions, concepts and trends in healthcare delivery are examined. Topic areas also include: the impact of employer-based health insurance, role of various government programs, history, operational characteristics, funding mechanisms, changing roles of physicians and other providers.

**MGMT 641 Health Law & Ethics (3)**

This course explores legal obligations and ethics in healthcare administration. Governmental policy reforms, antitrust and informed consent is studied. Regulation of healthcare false claims, fraud and abuse is examined. Also covered is the legal basis for hospital governance and healthcare malpractice insurance.

**MGMT 642 Healthcare Management (3)**

In this course, students examine concepts and tools that can increase the quality and efficiency healthcare. The course will explore questions of capacity planning, scheduling and process design in healthcare.

**MKTG 625 Digital Media Analytics (3)**

This class will provide students with the theoretical understanding of the digital marketplace necessary to analyze digital trends, while also equipping students with the skills needed to perform digital marketing analysis as a digital data translator.

**MKTG 634 Mobile Media Marketing (3)**

This class will provide students with an understanding of how mobile marketing is defining business today, including strategy, tracking ROI, advertising, applications and mobile websites. Text messaging, QR codes, consumer interactions with mobile devices, and the laws and ethics of mobile marketing are examined.

**MKTG 643 Social Media Strategy (3)**

This course will help students obtain a clear perspective on social media marketing, and its true value to consumers, managers, other stakeholders. Students will learn relevant knowledge, perspectives, and practical skills required to develop marketing strategies that leverage the opportunities inherent in social media and consumer-to-consumer social interactions for achieving business and marketing goals.

**MKTG 652 Digital Media Marketing Capstone (3)**

This class will provide students with the theoretical understanding of the Internet marketplace necessary to adapt to its many changes, while also equipping students with the skills needed to perform vital daily functions as a digital marketing professional.

**2. Centrality to Role and Mission**

The addition of focus areas addresses both the “Purpose” and “People” parts of Chadron State College’s Master Academic Plan. The program will increase recruitment by offering a unique and in-demand course of study (People) and will enhance student learning and growth through updated pedagogy and content (Purpose). Further, the update to the MBA program addresses two of the NSCS Strategic Plan goals. First is **Institutional & Academic Quality**, which seeks to “*deliver an array of high-quality academic programs and curricular activities that successfully prepares students for the range of careers they will experience after graduation*”. Second is the **Workforce & Economic Impact**, which seeks to “*expand capacity for colleges to produce graduates who meet the workforce needs of Nebraska and to strengthen their role as change agents for rural communities they serve*”.

**3. Evidence of Need and Demand****A. Need for the program:**

According to the Bureau of Labor Statistics, the job outlook for the next decade, 2019-2029, is promising in each of the three focus areas. Jobs for Advertising, Promotions, and Marketing Managers are expected to grow 6% faster than average; Accounting is expected to grow 4% faster than average; and Healthcare Management is expected to grow 32% faster than average. Additionally, there is a need for accounting and healthcare professionals in rural communities; and further, there is much value in understanding how to utilize digital marketing to reach beyond rural areas to expand market potential.

MBA focus areas are important because they allow a student to build on the fundamentals taught in the program and helps them to dig deeper into their chosen career field. Focus area are used within MBA programs across the nation to signal to employers a more in-depth knowledge in an area. Even if students are unsure about a focus area, selecting it allows them to explore an area of interest to round out the general business curriculum and could positively impact the trajectory of their career. That being said, a focus area does not lock a student into a particular career path, as an MBA degree in and of itself prepares students to work in almost

any business field. According to U.S. News, the top six fastest growing and in-demand jobs for MBAs include Financial Advisor, Medical & Health Services Manager, and Marketing Manager. According to PayScale.com, two of the top four MBA concentrations chosen by students are finance and marketing. According to the *Prospective Students Survey Report* provided by MBA.com, Finance and Accounting concentrations are two of the most popular options since they relate specifically and clearly to careers in those fields.

B. Demand for the Program:

Enrollments in the CSC MBA program have been declining since 2017; this is in line with national trends in MBA enrollments. However, CSC's MBA program is high quality, with students consistently out performing national averages on the Peregrine exam. As such, the Business Academy's MBA Committee spent the last year investigating and discussing creative ways to address this decline. The committee's work resulted in the development and proposal of these focus areas along with planned promotion of the program for the fall 2021 term. The addition of the focus areas and the ability for students to focus their study in one of these three areas will make the already affordable and quality MBA program of greater value.

Focus areas allow students to tailor the program to meet their unique career goals and to create the MBA experience they want. Focus areas can increase students' skills in a particular area, which in turn boosts their resume and enhances their employability. Finally, focus areas are important for entering the job market after graduation, as it helps CSC students stand out among other MBA graduates.

#### 4. Adequacy of Resources

A. Faculty and Staff Resources:

The current staffing in the department can sufficiently cover the courses. The Dean of BMS received approval to modify two position descriptions, for existing faculty vacancies, to include skills that would contribute to and provide support for the Healthcare option. Both are currently posted for hire and are expected to be filled before this revised program is implemented in Fall 2021.

As part of the MBA update, the following courses will no longer be offered by CSC and be deleted from the catalog and course rotation.

- ACTG 531 Financial Accounting
- BA 623 Managerial Agricultural Policy
- BIS 533 Dynamic Web Page Development
- MKTG 635 Entrepreneurship-New Venture Creations

The proposed, updated MBA Course Rotation is provided on the following page.

<b>MBA COURSE ROTATION</b>			 <b>CHADRON STATE COLLEGE</b>																			
<b>2020-2023</b>			FA 20		SP 21		SU 21		FA 21		SP 22		SU 22		FA 22		SP 23		SU 23			
<b>MBA /GRADUATE</b>			<b>1st or 2nd 8-Week Session</b>		8W1	8W2																
<b>Subject</b>	<b>Course No.</b>	<b>Course Title, Essential Studies/ Student Learning Outcomes</b>																				
<b>CORE</b>																						
ACTG	632	Managerial Accounting			X	X					X		X					X		X		
BIS	632	Information Systems for Managers		X		X					X		X					X		X		
ECON	637	Managerial Economics	X						X							X						
FIN	631	Corporate Finance		X						X							X					
MGMT	620	High Performance Leadership		X		X			X				X			X				X		
MGMT	630	Organizational Behavior	X				X	X					X	X							X	
MGMT	634	Business Strategy, <i>Capstone Course</i>		X		X			X			X				X		X				
MGMT	633	Legal/Social Environment of Business				X						X						X				
MKTG	630	Marketing Management	X				X		X				X			X					X	
<b>ELECTIVES</b> <i>Professional Courses:</i>																						
ACTG	533**	Gov't & Not for Profit Accounting	X						X							X						
ACTG	537**	Advanced Cost Management Accounting			X						X							X				
ACTG	543**	Advanced Financial Accounting	X						X						X							
ACTG	638	FINANCIAL STATEMENT ANALYSIS									X							X				
FIN	632	Finance for Managers		X		X			X			X			X			X			X	
MGMT	610	Human Capital Management		X					X						X			X				
MGMT	625	Business Analytics for Managers										X								X		
MGMT	640	US HEALTHCARE SYSTEM								X								X				
MGMT	641	HEALTH LA'W & ETHICS							X							X						
MGMT	642	HEALTHCARE MANAGEMENT									X								X			
MKTG	634	Digital Media Marketing						X							X							
MKTG	643	SOCIAL MEDIA STRATEGY							X							X						
MKTG	625	DIGITAL MEDIA ANALYTICS								X							X					
MKTG	652	DIGITAL MEDIA MARKETING CAPSTONE									X							X				
MKTG	635	New Venture Creation			X																	
<b>TOPICS</b>																						
ACTG	560	Topics in Accounting	Topics courses are periodically offered. Please check the CSC schedule for topics course availability for any given academic year.																			
BA	560	Topics in Business																				
BIS	560	Topics in Information Systems																				
FIN	560	Topics in Finance																				
MGMT	560	Topics in Management																				
MKTG	560	Topics in Marketing																				
**MBA students cannot have more than six (6) credits of these 500-level, dual listed <i>elective</i> courses in their degree program. Strong accounting background recommended.																						
*For graduate summer course availability and additional details, please see course schedule on MyCSC.																						
Summer course schedules become available for viewing in February.																						
Other policies apply.																						
Although this information is believed to be accurate, CSC reserves the right to change any provisions or requirements without prior notice. This information does not constitute a contract between the college and any other part. Courses will be offered depending upon demand and resource variables.																						

**B. Physical Facilities:**

The program will utilize the current facilities and instructional spaces on the Chadron State College campus. No additional physical facilities or renovations will be required.

**C. Instructional Equipment and Informational Resources:**

No additional instructional equipment or information resources are required.

**D. Budget Projections for the first five years of program:**

The MBA is an existing program with no additional resources requested beyond the two faculty lines that have been approved for re-assignment and are included in the existing CSC budget. The program will require some funds for updated marketing pieces and promotion, which are expected to be minimal and will be covered by the School of BMS budget.

## 5. Avoidance of Unnecessary Duplication

While a number of Nebraska colleges have MBA programs, three programs are identified as “Generalist” MBAs, including Wesleyan, Bellevue and Concordia. UNL allows students to customize their electives but requires 48 credit hours to complete the degree. Only a handful of Nebraska colleges offer concentrations that match the Focus Areas proposed and none offer the same combination of choices.

Because the Certified Public Account Exam requires students to have 150 credit hours completed, there are more MBA programs with this concentration; those include Wayne State, UNK, Midland, and Creighton. Three Nebraska colleges offer the Healthcare Management option including Union College, UNO, and Doane College; however, Union college offers theirs as a 5-year undergraduate/graduate MBA program in partnership with Clarkson College.

No Nebraska colleges offer Digital Marketing, although two offer traditional Marketing concentrations, including UNK and Midland. Chadron State will be unique in this combination of offerings and will be able to lend a rural-employment emphasis to these Focus Areas.

## 6. Consistency with the Comprehensive Statewide Plan for Postsecondary Education

These program focus areas address the Coordinating Commission’s goals for meeting the needs of the students and meeting the needs of the state. Students will benefit from being able to focus their study in areas with employment growth predicted to exceed normal growth in the next decade. Further, graduates in all of these focus areas will be poised to add value to rural communities, and Chadron State faculty are uniquely qualified to highlight rural topics in teaching these courses.

**ITEMS FOR DISCUSSION AND ACTION\ACADEMIC AND PERSONNEL**

January 13, 2021

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**ACTION:** **Approve NSCS-NAPE/AFSCME and NSCS-SCEA 2021-2023 Agreements**

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Collective bargaining with NSCS faculty began August 25, 2020. Final agreement was reached on December 14, 2020. There were six (6) faculty members on the SCEA team - two individuals from each College. Gerard Ras from WSC was the Chief Negotiator. The NSCS team consisted of Kristin Divel, Jodi Kupper, and Academic Vice Presidents Jim Powell, Tim Borchers and Steve Elliott.

Collective bargaining with support staff began on August 24, 2020. Final agreement was reached on December 9, 2020. There were five (5) support staff members on the NAPE team and Justin Hubly led the NAPE team. The NSCS team consisted of Kristin Divel, Kara Vogt, and Human Resources Directors Anne DeMersseman, Eulanda Cade and Candace Timmerman.

The attached "TA" documents contain all *tentative agreements verbiage* that was negotiated. The new two-year agreements take effect on 7-1-2021.

The System Office recommends approval of the NAPE/AFSCME and SCEA 2021-2023 Agreements.

**ATTACHMENTS:**

- SCEA TA Document 12-14-20 (PDF)
- NAPE TA Document 12-09-20 (PDF)

## 2020 SCEA Negotiation Tentative Agreement “TA” Document

### ARTICLE II, Section 2.1 – TA 10/27/20

#### NONDISCRIMINATION AND WORKPLACE ENVIRONMENT

The Board and SCEA fully agree that employment and institutional policies will be applied fairly and equitably. Neither preference nor discrimination shall be shown by either the Board or SCEA for or against any member in regard to race, color, national origin, age, sex, sexual orientation, gender identity, religion, disability, or affiliation or non-affiliation with SCEA all as provided by law. The parties to the Agreement further agree that no employment or educational policy shall be discriminatory on the basis of individual characteristics other than quality of performance of duties, ability to perform the required tasks, and conduct in regard to employment as required by the terms of this Agreement, with Board policies and rules, and with applicable laws.

The Nebraska State Colleges are equal opportunity institutions and do not discriminate against any student, employee or applicant on the basis of race, color, national origin, sex, sexual orientation, gender identity, disability, religion, or age in employment and education opportunities, including but not limited to admission decisions. Each College has designated an individual to coordinate the College’s nondiscrimination efforts to comply with regulations implementing Title II of the Americans with Disabilities Act, Titles VI and VII of the Civil Rights Act, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, and Section 504 of the Rehabilitation Act. Inquiries regarding non-discrimination policies and practices may be directed to the Compliance Coordinators assigned at each College and identified on each college website.

The Board is committed to providing a workplace environment free of unlawful harassment and/or discrimination in accordance with applicable federal and state laws. Unlawful harassment or discrimination of employees in regard to race, color, national origin, age, sex, sexual orientation, gender identity, religion, disability is prohibited. Unlawful harassment includes, without limitation, verbal harassment (derogatory comments and/or slurs, negative stereotyping, intimidating behavior), physical harassment (assault or physical interference), visual harassment (posters, cartoons, drawings, or improper written or graphic material), and innuendo.

If any faculty member has reason to believe that he or she has been unlawfully harassed and/or discriminated against, that faculty member should report the violation to a Dean, the Human Resources Director/AVP, or a Vice President. Faculty members who feel an immediate threat may contact Campus Security. If the reporting faculty member feels that the report does not achieve satisfactory results, a second report should be made to another administrator. All reports shall be promptly and thoroughly investigated.

#### Section 2.2 Safety Committee – TA 10/22/20

A Safety Committee shall be established and maintained at each College. The Committee shall adopt and maintain an effective written injury prevention program. The Committee may also address workplace safety, campus environmental and health concerns. Faculty Senate is allowed to appoint up to three (3) faculty members to the Committee and then shall provide those names to the Committee Chair. Committee attendance and related Committee work shall be considered time worked as service to the campus.

## ARTICLE III. – TA 10/21/20

### STATEMENT ON ACADEMIC FREEDOM AND SHARED GOVERNANCE

The Board and SCEA recognize and accept the principles of academic freedom and shared governance as delineated in the Higher Learning Commission's criteria for accreditation. Concepts of academic freedom are based on the current AAUP Statement of Principles and Interpretive Comments on Academic Freedom and Tenure ("Statement"). The Statement, however, is not incorporated herein by reference.

#### Section 4.2 **Materials Not Courses – TA 10/22/20**

Faculty do not have intellectual property rights to individual courses or to the curriculum as a whole, but only to self-developed instructional materials used in the development of the course. Faculty members will provide grading information upon appropriate request. Upon request, faculty members shall provide information related to how grades are determined. This can include, but may not be limited to, the grading scale if it is not presented in the syllabus, assignments and the associated directions for completion of each assignment, rubrics developed for grading assignments, and weights assigned to each grade. supporting documentation from lectures and readings that demonstrate the relationship between the graded assignment and class activity, and any other materials that might be related to grading in the course.

#### Section 5.1 **Academic Calendar and Contract Period – TA 10/19/20**

The Chancellor is responsible for decisions regarding the academic calendar, pursuant to recommendations from the Presidents. The beginning and end dates for the academic year are noted on a five year calendar and published on the NSCS web site. Changes to the academic calendar will be made with as much notice as possible.

The faculty employment contract period extends from one (1) business day prior to the first day of classes of the Fall semester until the completion of the final examination period and commencement ceremonies of the Spring semester or the period of time necessary for faculty members to turn in final grades and required year-end reports, whichever is later. New faculty may be requested to report one (1) day prior to the start date for returning faculty.

#### 5.2.1 **Academic Year Appointments – TA 11/6/20**

During an academic year appointment, faculty members shall be assigned no more than a thirty (30) credit hour adjusted workload. The usual and customary instructional workload will be twenty-four (24) adjusted credit hours per academic year contract except as may otherwise be required by appropriate College accrediting bodies (recognized by the United States Department of Education or the Council for Higher Education Accreditation) or applicable state regulations.

~~An instructional workload range of 11-13 credit hours may be assigned per semester.~~ Upon mutual agreement of the faculty member and Dean, instructional hours can be assigned during the fall and spring semesters in excess of 13~~2~~ credit hours without triggering overload obligations. Such agreement shall be documented in writing.

Any academic year instructional credit hours above twenty-four (24) will receive overload compensation per Section 10.6. Instructional loads with fewer than twenty-four (24) credit hours will be assigned additional duties. The balance of the thirty (30) credit hour workload will be

credited to scholarly and service activities.

Online instructional credit hours are identified through an academic planning process developed at each College. Faculty may be assigned online instructional credit hours at any institution in the Nebraska State College System as part of the faculty member's regular academic year workload and/or for overload hours.

### **5.2.2 Workload Adjustments – TA 10/19/20**

Reasonable workload adjustments may be made at the discretion of the Board or its designee to take into account scholarly activity for graduate instruction, laboratory courses, private or group music lessons, studio or drama courses, student teacher supervision, coaching duties and/or other out-of-classroom instructional activities. Any instructional hours assigned above the prescribed instructional hours will be considered an overload and will qualify for overload.

Existing workload adjustment practices will remain in place at each College, unless revised adjustments are agreed upon by the local chapter of SCEA and the Chancellor Board.

### **5.2.3 Notice of Teaching Assignments – TA 10/21/20**

In order to facilitate adequate planning, faculty members will be notified by their Dean as soon as possible of teaching assignments for the semester, but no later than ~~August 1 for fall semester and December 15 for spring~~ three weeks prior to the start of the semester unless exceptional circumstances exist that prevent meeting those deadlines. The notice of teaching assignments shall include the modality of the course. Changes in assignments or modality may occur as necessary in exceptional circumstances.

### **5.2.4 Directed Study, Special Projects and Independent Study Courses - TA 10/19/20**

Directed study, special projects and independent study ~~assignments~~ courses will be offered with the approval of the faculty member and at the Dean's discretion. Faculty teaching directed study, special projects and independent study courses will be compensated at the rate of two-thirds (2/3) tuition assessed for each enrolled student. Such courses are not eligible for instructional workload adjustment.

### **5.2.5 Course Modality – TA 10/19/20**

Course modality is identified through an academic planning process developed at each College. However, the President reserves the right to make the final decision regarding course modalities.

### **5.4 Online and Blended and ~~Interactive Distant Learning~~ Courses – TA 11/6/20**

An online course is defined as seventy-five percent (75%) or more of the course instruction delivered via the Internet.

A blended course is distinctly different than teaching two sections of a specific course. A blended course has two separately registered groups of students enrolled in the same course at one specific College: online students and students who receive instruction face to face in the classroom. In a blended course, there are students physically attending in the classroom as well as students attending via the Internet from one or more remote locations. Students attending

remotely receive instruction synchronously (or through a recording of that specific live session) with the students in the classroom during set class meeting times. A blended course has a single syllabus and a common set of assignments, schedule, and curriculum.

Faculty members who are, at the President's sole discretion, assigned to teach online ~~courses,~~ or blended and interactive distance learning courses for the first time, will be provided notification as soon as possible but no later three weeks prior to the start of the ~~than August 1 for fall semester and December 15 for spring semester~~ unless exceptional circumstances exist that prevent meeting these deadlines, ~~as well as, prior to~~ training in the operation of the technical equipment ~~to be used for such courses~~ and Resources such as hardware and software necessary to design and deliver the course will be provided to faculty members. Technical and pedagogical assistance in the preparation of materials for interactive distance learning, blended and online courses will also be provided. ~~Logistical support will be provided for distribution of instructional materials and testing at each remote site for interactive distance learning courses.~~

~~Faculty teaching via interactive distance learning will receive incentive pay for a three (3) credit hour course at the rate of \$250 per remote site. The number of remote sites shall be limited to no more than three per course. Any exception to this limit must be approved by the appropriate Dean in consultation with the faculty member. Incentive pay for interactive distance learning courses which are either less than or more than three (3) credit hours will be in proportion to this rate.~~

~~Online, and blended~~ course enrollments will be capped at thirty (30) students per course. If the course enrollment exceeds thirty (30) students, the faculty teaching the course will receive the equivalent of two-thirds (2/3) in-state tuition per student above the enrollment cap. ~~For the purpose of this Agreement, an online course is defined as one where seventy-five percent (75%) or more of the instruction is delivered via internet.~~

The incentive pay of \$250 for blended courses is \$250 per course, which will be prorated for courses less than or more than three (3) credit hours.

No video/audio tapes of ~~distance learning~~ classes shall be used after completion of the semester without the faculty member's approval, which shall not unreasonably be withheld.

Online or blended and ~~interactive distance learning~~ courses taught will be treated similarly to as ~~are all~~ other courses with regard to load and evaluation, except that evaluation strategies and instruments will recognize the non-traditional character of such courses.

Any new online ~~course or blended or distance learning~~ course offered shall first follow customary approval procedures established by the College, which shall include initial approval for the development of such course by the appropriate Dean.

No approved ~~internet~~ online or blended course designed and created by a faculty member without compensation may be conducted by any other person without the consent of the faculty member who created the course, which consent shall not be unreasonably withheld or delayed. If the faculty member gives consent, the faculty member and institution will enter into a compensation contract.

Courses developed at the request of the College, as defined by the purchase agreement and for which the faculty member receives additional compensation, are considered a work for hire and the property of the College and does not require the consent of the faculty member to reassign the teaching of the course to another faculty member. Whether or not additional compensation is

offered to the faculty member for the development of the course is the decision of the College. The faculty member has the right to accept compensation or refuse compensation and retain the ownership rights of the materials developed for the course.

#### **5.4.1 Blended Courses – TA 11/6/20**

~~A blended course is a course which has two groups of students enrolled in the course—online students and students who will receive instruction face to face in the regular classroom. The course has a single syllabus, a common set of assignments, a common schedule and curriculum. Faculty teaching a blended course shall receive incentive pay at a rate of \$250.~~

~~Blended course enrollments will be capped at thirty (30) students per blended course counting the total of face to face and online students. If the total course enrollment exceeds thirty (30) students, the faculty member will receive the equivalent of two thirds (2/3) in-state tuition per student above the enrollment cap.~~

#### **5.5.1 Office Hours – TA 10/19/20**

Office hours on campus are required of all faculty, at least five (5) hours per week for no less than three (3) days per week. Faculty shall establish office hours, between 7:00 a.m. and 6:00 p.m. Reasonable allowances for office hours may be arranged upon mutual consent between the faculty member and the Dean.

#### **5.5.7 Teaching at Other Institutions of Higher Education – TA 11/6/20**

Faculty members shall not engage in employment at ~~other~~ institutions of higher education outside the Nebraska State College System during the contract period without permission from the Vice President for Academic Affairs. Such permission must be secured in advance for each employment instance.

#### **Section 7.3 Evaluation Schedule – TA 11/6/20**

Faculty members shall be evaluated by their supervising Dean once each academic year; however, tenured Professors may be evaluated on a less frequent cycle at the discretion of Dean. Faculty members and SCEA shall be informed of changes in the evaluation cycle and documentation requirements in advance of any change being implemented. The evaluation period will be January 1<sup>st</sup> through December 31<sup>st</sup> with evaluation materials due to the Dean by January 30<sup>th</sup> following completion of the evaluation period. Faculty members in their second year of faculty employment will be evaluated prior to December 1<sup>st</sup>. All evaluation procedures, as described below and concluding with a conference of the Dean and each faculty member, shall be completed prior to April 1<sup>st</sup> following completion of the evaluation period.

Should the evaluation not be completed on schedule when evaluation materials have been provided in a timely manner, the faculty member shall be deemed to have provided satisfactory performance. However, if a resignation, retirement, non-renewal or dismissal is pending, an evaluation is not required and satisfactory performance will not be assumed by default.

#### **Section 7.4 Evaluation Procedure – TA 11/6/20**

Evaluations will be predicated on the criteria categories in 7.2, and their relative importance, professional assignments communicated in writing to the faculty member, and written Faculty

Development Plans. Such plans will have annual goals and specific objectives. The Dean and faculty member will prepare the plan which will be included in the individual's personnel file. Information and learning management system (LMS) data may be gathered as evidence regarding timely feedback to students on graded assignments.

In determining progress during an evaluation period, the Dean and faculty members will use student instructional effectiveness surveys as one important index of teaching effectiveness. Student surveys will be conducted in at least two (2) courses taught by the faculty member during each academic year. Faculty may elect to have more than two (2) courses surveyed. Non-tenured faculty may be required to have all courses surveyed. Tenured faculty may be required to have more than two (2) courses surveyed if performance concerns exist and notice regarding the concerns have been communicated in writing to the faculty member. Summaries of the student surveys and comments will be given to the faculty member within thirty (30) business days of the conclusion of the course and a copy will be placed in the personnel file. Without faculty permission, student surveys and summaries and faculty evaluations will be available only to academic supervisory personnel and their staff. The faculty member may request third party verification of the accuracy of the student surveys' summaries. The third party will be agreed upon by the faculty member and the Dean. Student surveys will be maintained for one semester following the semester in which the surveys were administered, for purposes of such validation. To support the evaluation process, evidence may also be collected from class visitations, monitoring on-line courses with notification, course outlines, tests, quizzes, writing assignments, review sheets, and other relevant sources. The evaluation will not be based on student surveys only.

When an online or blended ~~interactive distance learning~~ course is evaluated, the quality of teaching and its impact on instructional outcomes will be emphasized apart from any technology variables that may affect instruction. At the end of each evaluation period, the Dean will confer with each faculty member to assess progress and/or complete a formal evaluation. Evaluation forms will include three rating categories for performance - satisfactory, needs improvement and unsatisfactory. Only an overall satisfactory performance designation is eligible for any negotiated annual increase to base salary. Faculty members will provide reasonable documentation and materials which assist in assessing progress made in support of the goals and objectives stated in the professional development plan. The Dean will provide each faculty member a copy of strengths identified and/or improvements required in the individual's performance with recommendations to assist improvement and to reach specific outcomes. Conclusions resulting in changes in the objectives and activities of the professional development plan will be attached to the original plan. ~~In the case of Any identified areas of concern and performance improvement plans, a plan for implementation of recommendations with specific outcomes will be noted in the Summary of Improvement section of the evaluation, created by the Dean in consultation with the faculty member. Such a plan will be signed and attached to the original faculty development plan and evaluation.~~ No overall performance rating of less than "satisfactory," impacting an annual base salary adjustment, can be assigned without prior written notice of administrative concerns and reasonable time to address such concerns. A faculty member may submit written comments or rebuttal on the evaluation within ten (10) business days of receipt. A copy of the evaluation and comments will be placed in the faculty member's personnel file.

All evaluations of probationary tenure-track faculty members will include a discussion of progress toward the awarding of tenure and written recommendations for addressing any deficiencies that may be apparent at the time of the evaluation. Faculty members who serve as departmental chairs will not conduct formal evaluations. Department chairs will serve in a consultative role which may include review of materials and making recommendations, ~~which may and~~ include, but not be limited to, evaluations with respect to departmental citizenship or service. Departmental faculty

may recommend individuals to the Dean to serve as department chairs.

Evaluations shall not be subject to grievance or hearing procedures except for compliance with the procedures specifically enumerated in this Article. However, if an evaluation results in the denial of a salary increase, the faculty member may request a conference with the Dean and Academic Vice President for reconsideration, which decision shall be final. The faculty member has the right to have a SCEA representative participate in this meeting.

Quality of performance, ability to perform the required tasks, and conduct regarding employment as required by the terms of this Agreement, Board policies and rules, and applicable laws shall form the sole basis for evaluation of faculty members.

### **Section 8.1 Sabbatical Leave – TA 10/22/20**

The purpose of sabbatical leave is to provide an opportunity for faculty members to engage in scholarly, creative, professional, research, or other academic activities that will enhance the faculty member's contribution to the College. Sabbatical leave is an important element in professional development. Tenured faculty members who have been employed as faculty at the College for at least seven (7) consecutive years shall be eligible to apply for sabbatical assignments. Faculty members are not eligible to receive sabbatical assignments more frequently than once every seven (7) years. Each College shall make available at least one (1) sabbatical per fifty (50) faculty members, or major fraction thereof, per year. Awarding of such sabbatical shall be contingent upon the receipt of a meritorious proposal.

Faculty under performance improvement plans are not eligible for a sabbatical.

Each semester of sabbatical is considered as the equivalent of twelve (12) hours of teaching load.

Applications for sabbaticals shall be submitted according to a deadline established by the Academic Vice President, but no later than December 1<sup>st</sup> of the fall semester of the year preceding the year for which the sabbatical is requested. The application shall include a plan of professional development to be pursued during the assignment and a statement of the anticipated value of the sabbatical to the faculty member and the College. Each College shall establish a committee to evaluate the sabbatical applications and make recommendations to the Academic Vice President. After consultation with the Academic Vice President, the President shall make final decisions on all applications. Faculty members will be notified in writing of the President's sabbatical decisions no later than February 1<sup>st</sup>. If an application is denied, the President shall inform the faculty member of the reason(s) in writing. The President's decision regarding sabbatical applications is a nongrievable matter.

At the discretion of the President, Ssabbatical assignment compensation may be set at full pay for one academic semester, or one-half (1/2) pay for the academic year, ~~or a lesser amount.~~ Faculty members may avail themselves of fellowships, assistantships or other sources of limited means, to offset travel and displacement cost while on sabbatical; however, this Section shall not permit full-time employment while on sabbatical.

Faculty members on sabbatical will continue to receive the proportionate share of the College's contribution for applicable insurance and retirement plans. The remaining portion will be paid by the faculty member.

Within ninety (90) days following return from sabbatical, the faculty member shall submit to the

Academic Vice President a written report summarizing the activities and results of the sabbatical assignment.

A recipient of a sabbatical assignment may, at the discretion of the President, be required to return to the College for a period of one (1) year or to immediately repay the salary and cost of benefits received from the College while on sabbatical.

Time on sabbatical shall count toward the time requirements for rank promotion.

Faculty are not required to submit sick leave, bereavement leave or civil leave requests while on sabbatical.

### **Section 8.2 Leave of Absence – TA 10/22/20**

Faculty members who have been employed at the College for three (3) consecutive years shall be eligible to apply for a leave of absence for the purpose of research, education, travel, work at other institutions, or private business organizations, or engaging in other activities which will improve the faculty member professionally and be of benefit to the College. Such leave of absence is without pay. However, if the leave of absence is at the request of the College, and the faculty member has been employed at the College for four (4) consecutive years, such leave may be compensated with one-half (1/2) pay for one (1) academic year, full pay for one (1) semester, or a lesser amount by mutual agreement of the faculty member and the College.

Faculty under performance improvement plans are not eligible for a leave of absence.

Each semester of leave is considered as the equivalent of twelve (12) hours of teaching load.

The recipient of a paid leave of absence may, at the discretion of the President, be required to return to the College for a period of one (1) year or to immediately repay the salary and cost of benefits received while on the leave of absence.

Requests for leave of absence must be submitted according to a deadline established by the Academic Vice President, but no later than December 1 of the year preceding the year for which the leave is requested. Requests for a leave of absence without pay may be requested after the December 1 deadline if there are extenuating circumstances, such as receipt of a Fulbright award. Such leaves are limited to one (1) year but leave without pay may be extended one additional year by mutual agreement. Requests for extension must be received by February 1. Granting leaves of absence is at the discretion of the President, and is a non-grievable matter. Time on leave without pay does not count toward time requirements for tenure or rank promotion unless mutually agreed upon in writing by the faculty member and the President at the time of leave approval.

Faculty members on a paid leave of absence will continue to receive the proportionate share of the College's contribution for applicable insurance and retirement plans. The remaining portion will be paid by the faculty member. Faculty are not required to submit sick leave, bereavement leave or civil leave requests while on the leave of absence.

Faculty members on an unpaid leave of absence may contribute to the retirement plan and participate in applicable insurance programs at their own expense.

Within ninety (90) days following return from a leave of absence, the faculty member shall submit to the Academic Vice President a written report summarizing the activities and results of the leave.

### Section 8.3 Professional Development Fund – TA 10/22/20

The purpose of this Section is to encourage and support faculty development, leading to greater effectiveness of instruction. Nothing in this section shall be construed to restrict the Board's right to support additional activities for that purpose.

Each College shall provide a professional development fund to facilitate the broadest creative applications for instructional improvements. The professional development budget shall be funded annually at an amount no less than \$200 times the number of members in the SCEA bargaining unit.

Applications for use of such funds shall be reviewed by a faculty committee established by the Faculty Senate. The committee shall submit recommendations to the Academic Vice President and President for final decision and award.

Professional development activities which could be funded include, but are not limited to

- a) Attending, presiding, and/or presenting at professional meetings;
- b) Grants for research and study;
- c) Support for bringing faculty development consultants on-site in fields related to instructional programs;
- d) Support for development activities identified in faculty professional portfolios; and,
- e) Development of new ~~distance learning~~ courses.
- f) Tuition support for faculty members to take courses.

A report detailing activities and their impact on instruction shall be submitted by the faculty member to the appropriate committee responsible for funding and the Academic Vice President within ninety (90) days.

### Section 9.1 Limitations – TA 11/6/20

The grievance procedure as set forth herein is designed to provide a prompt and efficient method for the resolution of grievances. The grievance procedure hereinafter set forth shall be the exclusive method for resolving grievances concerning the administration of this Agreement. Time limits provided herein ~~should be adhered to~~ are mandatory unless modifications are agreed to in writing by the parties to the grievance. Failure of the College in any step to render a decision to the grievant within the maximum time limits shall automatically allow the grievant to proceed to the next step. Failure of the grievant to proceed to the next step within the maximum time limit shall be considered as termination of the grievance.

### Section 9.3 Grievance Defined – TA 11/6/20

A grievance is defined to be a dispute filed by a faculty member, a local chapter of the SCEA, or SCEA concerning ~~the interpretation or application~~ an alleged violation of this Agreement, or other terms and conditions of employment, and filed in accordance with the terms of this Article.

~~The parties jointly agree that~~ the procedure for grieving decisions to terminate an appointment prior to its expiration is outlined in Article XVII, Dismissal, and is the exclusive method for resolving such grievances.

**Section 9.4 Informal Grievance – TA 10/22/20**

Prior to the filing of a formal grievance hereunder, a faculty member shall discuss his or her dispute with the appropriate Dean or the administrator who made the decision at issue in an attempt to resolve the dispute. Similarly, representatives of SCEA may informally present and discuss the dispute on behalf of any faculty member or group of faculty members with the appropriate Dean or administrator who made the decision at issue. Any mutually acceptable disposition shall be reduced to writing, signed by the parties, and shall be binding on the parties as to the facts and circumstances giving rise to the dispute and the matters therein resolved. However, the written disposition shall not constitute a binding precedent in the disposition of other similar disputes that may subsequently thereafter arise

**Section 9.5 Formal Grievance – TA 10/19/20**

In reducing a grievance to writing, the following information must be stated with reasonable clarity:

- a) the exact nature of the grievance;
- b) the act or acts of commission or omission;
- c) the dates of the act or acts;
- d) the identity of the party or parties alleged to have caused the grievance and any witnesses known at the time;
- e) the specific provisions of the Agreement or policies that are alleged to have been violated; and
- f) the remedy that is sought.

If the grievance refers to documents, copies of such documents shall be attached.

**Section 9.7 Reprisals – TA 10/19/20**

There shall be no reprisals taken against a faculty member for the filing of a grievance or participating as a witness in a grievance hearing. Retaliation by the Board or SCEA is prohibited.

**Section 10.3a**      2%      **TA 12/14/20**

**Section 10.3b**      2%      **TA 12/14/20**

**Section 10.3e**      Salary Charts will be updated by 2% and rounded to nearest whole dollars **TA 12/14/20**

**Section 10.3f**      Salary Charts will be updated by 2% and rounded to nearest whole dollars **TA 12/14/20**

**Section 10.3g**      **TA 12/14/20** Salary levels established herein shall constitute minimum base salaries. Salary offer on initial contract may exceed the base minimum, but a salary offer below the negotiated salary range is an expressed violation of this Agreement.

Attachment: SCEA TA Document 12-14-20 (2831 : NAPE/AFSCME and SCEA 2021 -2023 Agreements)

### Section 10.6 Overload Compensation – TA 10/23/20

Wages for overload during the regular academic semester, whether it be for short session two-week courses, workshops, or extended campus classes, shall be computed at the rate of two percent (2.0%) of the faculty member's academic year salary per credit hour or the current adjunct pay rate, whichever is higher. If assigned more than ~~twelve~~ thirteen (13) instructional workload credit hours in a semester, any credit hour beyond ~~twelve~~ thirteen (13) instructional credit hours shall be considered an overload credit hour unless an alternative arrangement has been agreed upon by the faculty member and Dean in accordance with Section 5.2.1. Any credit hours beyond twenty-four (24) in an academic year will be considered an overload. Faculty members have the choice whether or not to accept overload assignments. Faculty will only be paid once for the same overload hours.

The overload rate for graduate courses during the regular academic semester shall be computed at the rate of two and one-quarter percent (2.25%) of the faculty member's academic year salary per credit hour. When a faculty member has an overload, the overload will be considered a graduate overload to the extent that the faculty member teaches graduate courses that particular semester. Dual-listed courses (courses that enroll both undergraduate and graduate students) are excluded from this rate.

Overload compensation contracts will be issued as soon as possible.

If travel is involved to perform assigned duties or teaching, the faculty member shall be provided compensation for travel time to and from the teaching assignment and expense reimbursement for mileage, meals and lodging per College guidelines. Faculty members granted sabbatical leave are not eligible for teaching assignments or for overload compensation during the sabbatical period.

### Section 10.10 External Grants – TA 10/22/20

Faculty awarded grants that are funded outside the institution, which grants having been previously approved by the President and containing grant monies for such purpose, ~~shall~~ may be compensated by the provisions of the award. Such compensation ~~is~~ may be independent of any base salary compensation earned for student credit hour producing courses, must have the specific and prior approval at the discretion of the President. Such compensation will be independent of base salary compensation, if required by the grant award.

### Section 10.13 D-or J Term Compensation – TA 11/6/20

Compensation for the three-week December Term (D-Term) and/or a January Term (J-Term) for faculty shall be paid at the rate of two and one-half percent (2.5%) of the faculty member's academic year salary per credit hour.

### Section 11.2 Medical Insurance TA 12/14/20

A medical plan will be offered with appropriate state-wide network coverage which requires the faculty member to satisfy the lowest calendar year deductible amount offered through the Educators Health Alliance (EHA), ~~a co-insurance amount, and an out-of-pocket stop-loss limit amount as offered by the current insurance carrier after which all other eligible medical claims will be covered for the remainder of the calendar year up to a lifetime maximum of \$5 million for each covered person (if allowed under Federal Law).~~ The Board will contribute a fixed dollar amount

equivalent to eighty-five percent (85%) of the aggregate costs of the single medical plan for the term of this Agreement, with the faculty member responsible for the remaining amount of the cost of coverage. For those who opt for coverage under a family medical plan, the Board will contribute toward the family, employee/children or employee/spouse plan a fixed dollar amount equivalent to seventy-five percent (75%) of the aggregate costs of the family medical plan for the term of this Agreement, with the faculty member responsible for the remaining amount of the cost of coverage. When both members of a married couple are employed by the Board and request family coverage, each individual will be required to contribute an amount equal to the contribution the faculty member makes toward single coverage.

### **Section 11.3 Dental and Vision Insurance TA 12/14/20**

A PPO dental plan will be provided with appropriate state-wide network coverage which covers 100% of preventive, diagnostic, maintenance, and restorative services of in-network providers. ~~Non-PPO provided services will be covered at a reduced rate of eighty percent (80%). Maintenance and restorative dental services will require a calendar year deductible.~~ Orthodontic services are not covered. The Board will contribute eighty-five percent (85%) toward the cost of individual employee dental coverage and seventy-five percent (75%) toward the cost of family, employee/children or employee/spouse dental coverage. Faculty members who elect insurance coverage must enroll in both the medical and dental plans.

When both members of a married couple are employed by the Board and request family coverage, each faculty member will be required to contribute an amount equal to the individual employee plan premium.

A voluntary vision insurance program shall be provided. The Board shall contribute fifty percent (50%) toward the cost of single vision coverage for the plan option selected by the faculty member.

### **Section 11.8 Sick Leave – TA 10/23/20**

Paid sick leave shall accrue at the rate of twelve (12) days per contract year. Sick leave accrual shall begin the first day of employment, and unused sick leave may be accumulated up to and including one hundred-eighty (180) business days. The Board may require documentation to substantiate the legitimate use of sick leave. The Board shall remunerate currently employed faculty members replacing colleagues on sick leave for more than two (2) weeks at an overload pay rate, when the Academic Vice President considers such remuneration to be warranted and reasonable.

Sick leave is not intended as any earned time off with pay, and will not be granted as such. Unused sick leave will not be paid out at the end of employment. Faculty members who have separated from employment and return after a break in service shall not have prior sick leave balances reinstated.

Sick leave hours shall be calculated in the following manner:

- a) If the faculty member is unable to fulfill all assigned teaching obligations for the day, the faculty member will be charged eight (8) hours of sick leave for the day.
- b) If the faculty member is only able to fulfill part of the assigned teaching obligations for the day, the faculty member will be charged four (4) hours of sick leave for the day.

- c) If the faculty member is able to perform all assigned teaching obligations but not established office hours and/or required meetings, four (4) hours of sick leave will be charged for that day.

### Section 11.10 Family Medical Leave – TA 11/2/20

Faculty members with one (1) year of service and who have worked at least one thousand two hundred fifty (1,250) hours during the previous twelve (12) month period shall be entitled, in accordance with federal regulations under the Family and Medical Leave Act (FMLA) to take up to twelve (12) work weeks of unpaid family and medical leave during any twelve (12) month period for reasons related to family and medical needs.

Eligible faculty members, may use FMLA leave:

- a) for the birth of a child, or the placement of a child with the faculty member for adoption or for foster care;
- b) to care for a spouse, children, parents, or persons bearing the same relationship to the faculty member's spouse with a serious health condition;
- c) for the faculty member's own serious health condition; or,
- d) for any qualifying exigency arising out of the fact that the spouse, son, daughter or parent of the faculty member is on active duty (or has been notified of any impending call or order to active duty) in the Armed Forces in support of a contingency operation.

Note: "Children" shall mean a biological, adopted or foster child, a step-child or legal ward.

A serious health condition is defined to include:

- a) an illness, injury, impairment, or physical or mental condition that involves either in-patient care, meaning an overnight stay in a hospital, hospice, or residential care facility, or continuing treatment by a health care provider for more than three (3) ~~or more~~ consecutive days;
- b) any period of incapacity because of pregnancy or prenatal care (even without treatment by a health care provider and even if the absence is less than three (3) days, e.g., morning sickness);
- c) period of incapacity because of a chronic serious condition (even without treatment by a health care provider and even if the absence is less than three (3) days, e.g., an asthma attack);
- d) any period of absence to receive multiple treatments by health care providers for reconstructive surgery after an accident or injury, or for a condition that would likely result in a period of incapacity of more than three (3) consecutive days if untreated, e.g., cancer (chemotherapy), kidney disease (dialysis).

~~Sick leave may be used at the election of the faculty member~~ must be used during family and medical leave. Although faculty members may retain accrued, unused sick leave, such leave shall not accrue while on family and medical FMLA leave.

Requests for family and medical leave must be submitted to the Dean and Human Resource Director/AVP for approval. Appropriate medical certification or documentation may be required.

To the extent possible, thirty (30) days' notice will be given by the faculty member, and where possible, an effort will be made in the case of a faculty member to begin and end the leave to coincide with the beginning of academic semesters.

The Board agrees to continue to pay its portion of insurance premiums during the term of FMLA leave.

In the event both parents are eligible under this policy, the couple shall be entitled to a combined total of twelve (12) work weeks of leave for the birth and care of a newborn child, for placement of a child for adoption or foster care, and to care for a parent who has a serious health condition.

A faculty member who is a spouse, child, parent or next of kin (*nearest blood relative*) to a member of the Armed Forces who is being treated for, recuperating from or is on the temporary disability retired list due to a *serious injury or illness* is entitled to a total of twenty-six (26) *work weeks* of leave during a twelve (12) month period to provide care for the service member as provided by the Family and Medical Leave Act as amended by the National Defense Authorization Act.

### **Section 11.15 ~~Other Requested Absences~~ Personal Leave – TA 10/23/20**

~~Two (2) days of Personal Absences leave each academic year may be requested for personal needs or exigencies or for other personal or professional reasons. Approval shall be at the discretion of the Dean and is a non-grievable matter. Requests to be absent for more than one (1) day must be accompanied by a written description regarding the need and an explanation of how work responsibilities will be covered. Human Resources will be notified for leave record requirements. If approved, a copy of the written description should also be sent to Human Resources to be maintained in the faculty member's personnel file.~~

### **Section 13.1 Negotiation Team Member Notification – TA 10/14/20**

SCEA shall provide the Vice Chancellor for Employee Relations with the names of the members of the SCEA negotiating team ~~on or prior to September 9, 2020~~ the commencement of bargaining. Each team shall be limited to six (6) members. Likewise, the Vice Chancellor shall provide SCEA with the names of the Board's negotiating team ~~on or prior to September 14, 2022~~. Alternate team members may be identified at a later date if the need arises.

### **Section 14.5 Layoff Order – TA 10/22/20**

It is specifically agreed that faculty shall be laid off in the following order ~~after the programs have been arrived at~~ under Section 14.4.

- a) Temporary part-time
- b) Temporary full-time
- c) Regular part-time
- d) Regular full-time non-tenured
- e) Regular full-time tenured faculty.

## **ARTICLE XV. PAYROLL DEDUCTIONS** ~~entire article deleted-~~ TA 10/19/20

### Section 16.4 Promotion Process – TA 10/27/20

Each College shall have its own internal process for recommending promotion for approval to the President. The College Rank Promotion and Tenure Committee, a sub-committee of Faculty Senate, shall develop and recommend a process for approval by the President. This process shall:

- a) Include provisions for peer review.
- b) Include provisions for student evaluation.
- c) Include the opportunity for faculty members to provide appropriate material to support the application.
- d) Include the appropriate administrative review and recommendations.
- e) State clearly that the Educational criteria for rank promotion are minimums only, and faculty members must provide evidence of achievement that also meets the Performance Criteria.
- f) Exclude candidates for promotion from service on a peer review committee or College Rank Promotion and Tenure Committee during their candidacy.

The rank promotion procedures at each College will be organized so that recommendations for tenure and promotion will be sent to the Academic Vice President no later than March 15<sup>th</sup> of each academic year. After consulting with the Academic Vice President and in consideration of the Rank Promotion and Tenure Committee recommendation, the President shall decide whether the faculty member's performance meets the standards set forth in Section 16.3 and 16.4.

The President shall inform the faculty member in writing by April 1<sup>st</sup> whether he or she has been promoted. Should the President not promote a faculty member, the President shall give the faculty member written reasons for his or her decision.

A copy of the rank promotion procedures will be maintained on file ~~in each College Library and at the System Office~~ in the Academic Vice President's office.

A faculty member may only grieve the decision to deny rank promotion on the basis of unlawful discrimination or failure to follow procedures or promotion criteria outlined in this Agreement.

### Section 16.6 Award of Tenure – TA 10/22/20

Each College shall have its own internal process for recommending tenure for approval to the President. The College Rank Promotion and Tenure Committee, a sub-committee of Faculty Senate, shall develop and recommend a process for approval by the President.

Tenure is the right to reappointment from appointment term to appointment term until such time as the faculty member resigns, retires, is dismissed for just cause, or is laid off during a reduction in force per Article XIV. Such reappointment shall be subject to the terms and conditions of employment which exists at the commencement of each contract term. Those terms and conditions of employment are as expressly set forth in the policies adopted or authorized by the Board, and the terms and provisions of this Agreement.

Tenure is with the College ~~and resides within a specific academic unit~~ not with the Nebraska State College System.

Tenured faculty reassigned to another academic unit at the same College shall retain their tenure ~~in the new academic unit.~~

Tenure to an academic unit is awarded by the President following a review process with recommendations submitted on March 15<sup>th</sup> by the Academic Vice President. Tenure review will include:

- a) peer review;
- b) Include provisions for student evaluation;
- c) appropriate administrative review and recommendations; and,
- d) the opportunity for the faculty member to provide appropriate material to support the application.

Candidates for tenure may not serve on a peer review committee or College Rank Promotion and Tenure Committee during their candidacy.

Tenure is awarded for quality of current professional performance and promise of such future performance, not merely for completing a certain length of service. It is equally incumbent on the faculty member and the College to ensure that tenure review occurs at the proper time. In no event shall the failure to give any notice constitute an award of continuous tenure by default. None of the provisions stated herein shall diminish any substantive rights for the acquisition of tenure which the faculty member may have acquired prior to the adoption of this Agreement.

Only faculty members who have the rank of Assistant Professor or higher and have obtained the appropriate terminal degree are eligible to apply for tenure.

Reappointment of faculty "Probationary/Tenure Track" appointees shall be at the discretion of the President. Written notice of non-renewal of a "Probationary/Tenure Track" appointee shall be in accordance with Article XVII.

The President, following peer review and recommendations by the College Rank Promotion and Tenure Committee, Dean and Academic Vice President, shall decide whether a faculty member's current professional performance and promise of such future performance, as outlined in Section 7.2, warrant the award of tenure.

The President shall notify the faculty member in writing by April 1<sup>st</sup> of the recommendations of the College Rank Promotion and Tenure Committee, Dean and Academic Vice President and whether or not he or she will be awarded tenure for the next academic year. Should the President decide not to award tenure to a faculty member, the President's written notification shall contain the reasons for this decision and shall inform the faculty member that a terminal employment contract will be issued for the next academic year.

A faculty member may grieve the decision to deny tenure on the basis of unlawful discrimination, violation of academic freedom, or failure to follow procedures or tenure criteria outlined in this Agreement, or if such action is challenged as arbitrary or prejudged.

Grievance of denial of tenure shall begin at step 2, Section 9.6(b) and must be filed in writing to the President prior to April 15<sup>th</sup>.

### **Section 17.16 Retaliation Prohibition – TA 10/22/20**

There shall be no reprisals against a faculty member for providing information as a witness in a disciplinary matter. Retaliation by the Board or SCEA is prohibited.

**Section 18.5 Search Committees – TA 11/6/20**

All ranked faculty members will be hired in accordance with a search procedure which includes the recommendation of a search committee, the majority of whose members shall come from the academic department in which the hire is to take place, if they are available. The chair of faculty search committees shall customarily be a faculty member.

**Section 20.3 Governing Law; Severability – TA 10/23/20**

This Agreement shall be construed and enforced in accordance with, and is subject to, federal law/regulations and the laws of the State of Nebraska. If any portion of this Agreement shall be declared invalid or unenforceable by a court of competent jurisdiction, such declaration shall not affect the validity or enforceability of the remaining provisions hereof.

## 2020 NAPE Negotiation Tentative Agreement "TA" Document

- Section 2.1** Exercising Agreement Rights. No employees shall be harassed or discriminated against for filing or participating in a grievance, providing information as a witness in a disciplinary matter, or otherwise exercising their rights under this Agreement. In the spirit of continuing their harmonious and cooperative relationship, the Employer and the Union agree to implement and exercise the provisions of this contract in a fair and responsible manner. Retaliation by the Employer or the Union is prohibited. – **TA 10/14/20**
- Section 7.4** Overtime Preference. Employees may be required to work more than a forty (40) hour week. ~~If fewer employees than the full crew are required, e~~Overtime will be offered in the following order: to volunteering employees within the classification, but where there is more than one volunteer, overtime shall be offered on a rotating basis beginning with the employee with the most College seniority. If there are no volunteers, then employees will be required to work overtime on a rotating basis beginning with the employee with the least College seniority.
- a) ~~To the employee performing the work requiring overtime;~~  
 b) ~~To employees working within the same class of work requiring overtime, on the basis of seniority; and then;~~  
 c) ~~To employees on the basis of job qualifications and seniority.~~
- If a sufficient number of employees fail to volunteer for overtime, it will be assigned by reverse seniority to employees in the classification requiring overtime. – **TA 10/14/20**
- Section 8.1** Work on Holidays. It is understood that no employee will be requested to work on a holiday unless absolutely necessary. Employees required to work on holidays shall be compensated at the rate of time and one-half paid overtime or earn compensatory time according to Article 7. Employees who are assigned to work on the Saturday and Sunday between Christmas Day and New Year's Day will be compensated at the rate of time and one-half. – **TA 10/16/20**
- Section 9.3** Acknowledgment, Rebuttal or Comments. Performance evaluation reports must be reviewed and acknowledged by the employee. Acknowledgment signifies only that the employee has reviewed and discussed the performance evaluation. Each employee will receive a copy of his or her performance evaluation report and have an opportunity to comment or rebut any performance assessment within fifteen (15) calendar days. Employees may comment on supervisory and work issues. A copy of each performance evaluation report and any rebuttal or comment submitted will be included in the employee's personnel file. A copy of the employee rebuttal or comment shall be provided to the evaluator's supervisor. – **TA 10/16/20**
- Section 11.6** Discharge Process and Procedure. – **TA 10/30/20**
- a) Upon receipt of a supervisor and/or Vice President's recommendation to dismiss an employee, the President shall inform the employee, in writing, of a time at which the employee may present any ~~additional~~ facts, material, or evidence regarding the employee's potential discharge to the President or a designee. Failure by the employee to appear shall act as a waiver by

the employee ~~to~~ of the aforementioned meeting but shall not be construed as an admission regarding the allegations. The employee may be represented by the union and/or an attorney in the meeting.

- b) Within five (5) work days following ~~the scheduled date of~~ the meeting described in Section 11.6(a), the President shall provide the employee a copy of his or her recommendations regarding the discharge. The five (5) day period may be extended upon agreement between the President, employee and representative. A copy of the President's recommendation shall be forwarded to the employee by Certified Mail with instructions to "Deliver to Addressee Only, Return Receipt Requested" or by personal delivery, or deposit to the employee's last known address. A copy of the President's recommendation shall also be forwarded to the Chancellor.

If the President recommends that the employee be discharged, the written notice shall inform the employee that he or she may obtain a hearing before ~~an arbitrator~~ hearing officer by delivering a written request to the Chancellor within ten (10) work days of the employee's receipt of the President's notice. The ~~arbitrator~~ hearing officer will be selected by a process agreed to by the parties.

- c) If no timely written request of a hearing is received by the Chancellor, the Chancellor shall render a final decision regarding the discharge recommendation based on the ~~existing record~~ information reasonably available to him/her as of the date of his/her decision.
- d) If a hearing is requested, the ~~Arbitrator~~ hearing officer will notify the parties in writing of the date, time, and place of the hearing. To the extent possible, hearings shall be scheduled as soon as reasonably possible but in no case later than thirty (30) calendar days, during or contiguous to the employee's normal working hours.
- e) At a hearing, the ~~employee~~ employer has the burden to prove that just cause exists to support the discharge decision. The ~~employee~~ may be present and be heard, be represented by the Union and/or an attorney (at the employee's expense), examine documentary evidence presented, cross-examine witnesses, offer documentary evidence and present witnesses.
- f) The ~~arbitrator~~ hearing officer's findings of fact and recommendation shall be provided to the parties and the Chancellor. The Chancellor shall make the final decision regarding the discharge.
- g) If the employee is not satisfied with the Chancellor's decision ~~made by the arbitrator~~, the employee may seek relief under applicable state and federal laws.
- h) An employee recommended for discharge shall continue to be an employee until the appeal procedure has been exhausted or until the employee has failed to advance the appeal in a timely fashion. The

employee may be suspended with pay or reassigned to other duties during the appeal procedure at the discretion of the President.

**Section 11.9** Title IX. ~~The investigation of alleged Title IX violations by employees, and discipline (including discharge) of employees deemed to have violated Title IX,~~ shall be handled in accordance with applicable federal laws and regulations. – **TA 10/30/20**

**Section 12.1** Abandonment. An employee may be considered to have abandoned the job if he or she has been absent from work for longer than two (2) consecutive work days without being on approved leave or without notifying the appropriate supervisor unless such notice is impossible. Such abandonment will be considered as a voluntary resignation not in good standing. – **TA 10/16/20**

**Section 16.0** 2021-2022 Annual Salary Increase. For the 2021-2022 fiscal year, each employee will receive a two percent (2%) salary increase above his or her prior year base salary of July 1, 2021. Increases shall be provided to all employees with satisfactory or better performance evaluation reports. **TA 12/9/20**

**Section 16.1** 2022-2023 Annual Salary Increase. For the 2022-2023 fiscal year, each employee will receive a two percent (2%) increase above his or her prior year base salary on July 1, 2022. Increases shall be provided to all employees with satisfactory or better performance evaluation reports. **TA 12/9/20**

**Section 16.3** Salary Guide. A listing of position classifications and the assigned salary grades referred to as the Support Staff Position Salary Guide is attached hereto as Appendix A and made a part of this Agreement. Steps on the Salary Guide for each pay grade will be adjusted upward by two percent (2.0%) each year of this Agreement. **TA 12/9/20**

**Section 17.0** Available Insurance. The Employer agrees to make available the same level of group medical, dental, life, vision, and disability insurance coverages currently being provided. ~~If costs of coverages should increase during the second (2<sup>nd</sup>) year of this Agreement, the Employer and the Union agree to continue the same arrangement for sharing costs.~~ Nothing within this Agreement, ~~however,~~ shall prohibit the Employer from considering other insurance carriers. – **TA 12/9/20**

**Section 17.1** Medical Insurance. A medical plan will be offered with appropriate state-wide network coverage which requires the employee to satisfy the lowest calendar year deductible amount offered by the insurer ~~and a co-insurance amount with an out-of-pocket stop-loss limit amount after which all other eligible medical claims will be covered for the remainder of the calendar year.~~ The Employer will contribute a fixed dollar amount equivalent to eighty-five percent (85%) of the aggregate costs of the individual medical plan for the term of this Agreement, with the employee responsible for the remaining amount of the cost of coverage. For those employees who opt for coverage under a family medical plan, the Employer will contribute toward either family plan, employee/children or employee/spouse a fixed dollar amount equivalent to seventy-five percent (75%) of the aggregate costs of the family medical plan for the term of this Agreement, with the employee responsible for the remaining amount of the cost of coverage.

When both members of a married couple are employed and request family coverage, each individual will be required to contribute an amount equal to the contribution an employee makes toward single coverage. – TA 12/9/20

**Section 17.2 Dental Insurance.** A PPO dental plan with appropriate state-wide network coverage will be provided which covers one-hundred percent (100%) of preventive, diagnostic, maintenance and restorative services of in-network providers. ~~Maintenance and restorative dental services will require a calendar year deductible.~~ Orthodontic services are not covered. The Employer will contribute eighty-five percent (85%) toward the cost of individual employee dental coverage and seventy-five percent (75%) toward the cost of family, employee/children, or employee/spouse dental coverage. An employee must be enrolled in both the medical and dental plans.

When both members of a married couple are employed and request family coverage, each employee will be required to contribute an amount equal to the individual employee plan premium. – TA 12/9/20

**Section 17.9 Retirement Programs.** – TA 10/16/20

- a) Voluntary Retirement Settlement Program. Eligible employees who elect to surrender their right to continued employment and retire on June 30, 2022, shall in exchange for the surrender of such right, receive a financial settlement incentive of twenty-five percent (25%) of their final year base salary with payment to be made in twelve (12) equal monthly installments following termination of employment. An eligible employee must be fifty-five (55) years of age with ten (10) or more years of consecutive service within the State College System and must provide six (6) months of advanced written notice.

In addition, the employee will be permitted to remain in the group medical and dental insurance plan offered retirees by Blue Cross/Blue Shield at the time of the employee's retirement. The Employer will pay the full cost of such coverage, which includes both the cost the employee would pay if still employed and the cost that the Employer pays for such coverage as the employer. Coverage payments will continue for a period of twelve (12) months following retirement. Any COBRA benefits remaining will be available following cessation of the coverage payments. COBRA benefits are not available if the employee elects to enroll in the Direct Bill program. The employee shall be responsible for membership fees required by Nebraska State Education Association (NSEA).

If the retired employee reaches the age of sixty-five years (65) at any time during the twelve (12) month period of payout, at which time eligibility to participate in the BC/BS retiree plan ceases, the Employer will pay an amount equivalent to the full-cost of the Retired BlueSenior Classic Plan NSEA Medicare Supplement Plan that the employee selects offered by the NSEA for the payout period remaining.

If death occurs during the payout period, the employee's beneficiaries or estate will receive any remaining incentive payments due under the terms

of this program. The medical and dental benefit will terminate upon the date of death.

No employee will be coerced into participating in this Voluntary Retirement Settlement Program, or have his or her employment terminated for the purpose of preventing him or her from becoming eligible to participate.

The Program is intended to be operative through the time period indicated with salary payments and insurance coverage available only during the fiscal year following retirement.

- b) Early Retirement Incentive Program. The Program is designed to encourage the early retirement of eligible employees by offering an incentive to retire in the form of paid premiums in the group medical and dental health insurance program offered retirees by Blue Cross Blue Shield at the time of the eligible employee's retirement. The payment of premium will continue until the retired employee becomes eligible for coverage under the federal Medicare program, at which time the paid premiums shall cease. Full-time employees who have completed at least ten (10) years of continuous service within the State College System, and who are sixty (60) years of age or older are eligible to participate in this program upon providing six (6) months of advanced written notice. The employee shall be responsible for membership fees required by NSEA. In order to be eligible for this program, the employee has to meet the five (5) year Educator's Health Alliance continuous coverage requirement.

#### **Section 19.0 Sick Leave – TA 10/16/20**

- f) Compensation at time of Retirement or Death. Employees who are eligible for retirement in the State College System will, upon termination of employment by reason of retirement, be entitled to a one-time payment of one-fourth (1/4) of their accumulated unused sick leave, with the rate of payment based upon their regular pay at the time of retirement. Employees are only eligible for one sick leave payout, regardless of future reemployment.

#### **Section 19.2 Family and Medical Leave. – TA 10/16/20**

- a) Eligibility. Employees with one (1) year service and who have worked at least one thousand two hundred fifty (1,250) hours during the previous twelve (12) month period will be entitled to take up to twelve (12) work weeks of unpaid family leave during any twelve (12) month period for reasons related to family and medical needs. Eligible employees, male or female, may use family and medical leave:
- 1) for the birth of a child, or the placement of a child with the employee for adoption or for foster care (leave for birth and care, or placement for adoption or foster care must conclude within twelve (12) months of the birth or placement);
  - 2) to care for a spouse, child, parents, grandparents, or persons

bearing the same relationship to the employee's spouse with a serious health condition;

- 3) for the employee's own serious health condition;
- 4) for any qualifying exigency arising out of the fact that the spouse, or a son, daughter or parent of the employee is on active duty (or has been notified of any impending call or order to active duty) in the Armed Forces in support of a contingency operation.

**Note:** "Child" shall mean biological, adopted or foster child, a stepchild, a legal ward, or child of a person standing in loco parentis

- b) Serious Health Condition. A serious health condition is defined to include:
- 1) An illness, injury, impairment, or physical or mental condition that involves either inpatient care, meaning an overnight stay in a hospital, hospice, or residential care facility, or continuing treatment by a health care provider for more than three (3) ~~or more~~ consecutive days.
  - 2) Any period of incapacity because of pregnancy or prenatal care (even without treatment by a health care provider and even if the absence is less than three (3) days, e.g., morning sickness).
  - 3) Any period of incapacity because of a chronic serious condition (even without treatment by a health care provider and even if the absence is less than three (3) days, e.g., an asthma attack).
  - 4) Any period of absence to receive multiple treatments by health care providers for reconstructive surgery after an accident or injury, or for a condition that would likely result in a period of incapacity of more than three (3) consecutive days if unrelated, e.g., cancer (chemotherapy), kidney disease, (dialysis).
- c) Use of Paid Leave. Sick or vacation leave ~~may~~ must be used at the election of the employee during family and medical leave. Although employees may retain accrued, unused vacation and sick leave, such leave shall not accrue while on family and medical leave.
- d) Requests. Requests for family and medical leave must be submitted to the Human Resource Director/AVP for approval. Appropriate medical certification or documentation may be required.
- e) Notice. To the extent possible, thirty (30) days' notice will be given by the employee.
- f) Insurance Contributions. The Employer agrees to continue to pay its portion of insurance premiums during the term of any family and medical leave.

- g) Limitation. In the event two employees are both eligible under this policy, the couple shall be entitled to a combined total of twelve (12) work weeks of leave for the birth and care of the newborn child, for placement of a child for adoption or foster care, and to care for a parent who has a serious health condition.
- h) National Defense Authorization Act. An employee who is a spouse, child, parent or next of kin (nearest blood relative) to a member of the Armed Forces who is being treated for, recuperating from or is on the temporary disability retired list due to a serious injury or illness is entitled to a total of twenty-six (26) work weeks of leave during a twelve (12) month period to provide care for the service member as provided by the Family and Medical Leave Act as amended by the National Defense Authorization Act.

**Section 19.6** Civil Duty Leave. An absence with pay will be granted an employee for jury service or election service during the actual period of service, and the employee will retain fees paid him or her as a juror or election worker; provided that the employee calls his or her supervisor to determine whether he or she should report for work upon being released from jury duty or election service on any day prior to the end of his or her regular shift.

Absence with pay may be granted for an employee who is subpoenaed as a witness during the actual period of such service; provided that the absence is limited to that period the employee is actually compelled to be present at court, having made reasonable efforts to arrange with the subpoenaing party that the attendance would be so limited.

Copies of summons and subpoenas should be provided to the Human Resource Office in advance of the absence. – **TA 10/16/20**

**Section 21.6** Board Agenda and Materials. The System Office will notify the Union and each the ~~Union-Campus Chapter~~ President via email when the agenda and Board materials are available at the Board's website at [www.nscs.edu](http://www.nscs.edu). – **TA 10/16/20**

**Section 21.7** Union Requests for Information. ~~Upon a written request by the Union, the~~ Employer will annually provide the following bargaining unit information: employee names, addresses, class titles, ~~class codes~~, College, pay grades, annualized wage rates, and hiring date to the Union quarterly. – **TA 10/16/20**

**Section 21.8** New Employee Orientation. The Employer will notify the Union regarding new employee within the first five (5) days of employment. An opportunity will be provided for new employees to meet with a union representative for twenty (20) minutes of work time, ~~sometime during the employee's first week of employment~~ in a quiet location, away from the employee's job site. The meeting may be arranged between the employee and the union representative. – **TA 10/16/20**

#### Appendix –

- Deleted Computer Operation classification – **TA 10/16/20**
- Add statement at the top of each Appendix page, "Salaries are based on 1.00 FTE" – **TA 10/16/20**

- Additional updates to appendices as follows: **TA 12/9/20**

Changes to Salary Grades 3-6

- A) Salary Grade 3 adjusted upward for Step 1 at \$11.50/hr.
- B) Salary Grade 4 adjusted upward for Step 1 at \$12.00/hr.
- C) Salary Grade 5 adjusted upward for Step 1 at \$12.50/hr.
- D) Salary Grade 6 adjusted upward for Step 1 at \$13.00/hr.
- E) Employees in these salary grades will receive salary increases needed to place them on revised paygrades as of 7-1-2021 with 10% limits applying to any associated placement change and/or step increase. Employees below the step 1 minimum salary of their paygrade will be moved to the new step 1 minimum even if it is more than 10%.

Salary Grades 7-12

- A) Salary grades would be increased by 2% on 7-1-2021.
- B) Salary grades would be increased by 2% on 7-1-2022.
- C) Add a Step 6 for 25 years of service at a 7% increase over Step 5.

Security Officer Changes

- A) Security Officer I classification will move to Salary Grade 5.
- B) Security Officer II classification will move to Salary Grade 8.
- C) Security Officer IIs will receive salary increases needed to place them on the revised paygrades as of 7-1-2021 with 10% limits applying to any associated placement change and/or step increase. Employees below the step 1 minimum salary of their paygrade will be moved to the new step 1 minimum even if it is more than 10%.

**ITEMS FOR DISCUSSION AND ACTION\STUDENT AFFAIRS, MARKETING, AND ENROLLMENT**

January 13, 2021

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***ACTION:***                                   **First and Final Round Approval of Deletion of Board Policy 3600; Graduation and Approval of Board Policy 4151; Graduation**

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The proposed revisions delete Board Policy 3600 in order to move provisions related to graduation to the Academic Affairs series of policies by creating Board Policy 4151. The newly created Board Policy 4151 eliminates the summary report to the Board as the information provided is duplicative of information provided to the Board in other reports.

The System Office recommends approval of the Deletion of Board Policy 3600; Graduation and Approval of Board Policy 4151; Graduation.

**ATTACHMENTS:**

- Deletion of Board Policy 3600       (PDF)
- Board Policy 4151   (PDF)

~~STUDENT AFFAIRS, NEBRASKA STATE COLLEGE SYSTEM~~

~~POLICY: 3600 Graduation Page 1 of 1~~

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~~BOARD POLICY~~

~~The President of each College is delegated the authority to confer the approved degrees to all students qualifying for graduation.~~

~~PROCEDURE~~

~~No more than two (2) commencement exercises are authorized each year. Colleges will use these ceremonies to award diplomas, distinguished service awards, and honorary degrees.~~

~~The Chancellor shall provide a summary report to the Board following each commencement which provides information on the number of graduates per degree and discipline in the System.~~

~~Early Certification~~

~~Students who have completed all requirements for graduation may receive a documentary "statement of completion" from the College, to be used until they receive their diploma. This will serve for purposes of certification, salary increments and professional promotion.~~

~~Legal reference: RRS 85 306. State Colleges; president; duties  
RRS 85 308.01 State Colleges; degree of bachelor of arts or bachelor of science; confer~~

~~Policy Adopted: 1/28/77  
Policy Revised: 6/5/93  
Policy Revised: 11/12/94  
Policy Revised: 11/11/95  
Policy Revised: 6/2/06  
Policy Revised: 3/25/11~~

Attachment: Deletion of Board Policy 3600 (2835 : Deletion of Board Policy 3600; Graduation and Approval of Board Policy 4151; Graduation)

**ACADEMICS, NEBRASKA STATE COLLEGE SYSTEM**

**POLICY: 4151 Graduation Page 1 of 1**

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**BOARD POLICY**

The President of each College is delegated the authority to confer the approved degrees to all students qualifying for graduation.

**PROCEDURE**

No more than two (2) calendar dates will be authorized each calendar year for the scheduling of commencement exercises. Colleges will use these ceremonies to award diplomas, distinguished service awards, and honorary degrees.

**EARLY CERTIFICATION**

Students who have completed all requirements for graduation may receive a documentary "statement of completion" from the College, to be used until they receive their diploma. This will serve for purposes of certification, salary increments and professional promotion.

Legal reference: RRS 85-306. State Colleges; president; duties  
RRS 85-308.01 State Colleges; degree of bachelor of arts or bachelor of science; confer

Policy Adopted:

Attachment: Board Policy 4151 (2835 : Deletion of Board Policy 3600; Graduation and Approval of Board Policy 4151; Graduation)

**ITEMS FOR DISCUSSION AND ACTION**  
**FISCAL, FACILITIES AND AUDIT**

January 13, 2021

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***ACTION:***                                   **First and Final Round Approval of Revisions to Board Policy 7024; Meals; Reimbursement**

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The changes proposed to Policy 7024 are to bring the policy in line with legislation passed (LB381 (2020)). LB381 changes employee meal reimbursements to a per diem basis, and also opens up the possibility to purchase meals on a state purchasing card or via direct bill in limited situations. The Nebraska Department of Administrative Services has established the initial per diem rate at 70% of the federal General Services Administration rate for meal per diem.

Also in response to LB381, the NSCS is updating its travel manual to reflect the changes in statute and processes for the NSCS, all of which are effective January 1, 2021.

The System Office recommends approval of the Revisions to Board Policy 7024; Meals; Reimbursement.

**ATTACHMENTS:**

- Revisions to Board Policy 7024     (PDF)

**BUSINESS MANAGEMENT, NEBRASKA STATE COLLEGE SYSTEM**

**POLICY: 7024**

**Meals; Reimbursement**

**Page 1 of 1**

**BOARD POLICY**

Meal expenses incurred during overnight travel on official business for the institution/System Office will be paid or reimbursed pursuant to a percentage of the per diem rates of the federal General Services Administration in conformance with Department of Administrative Services procedures and the NSCS Travel Manual. Any meal provided to, but not paid for by the employee shall be identified on the request for reimbursement and deducted from the maximum per diem by the component amount of per diem allocated for the meal provided. This includes but is not limited to any meals provided as part of a business meeting, conference, or hotel. The request for reimbursement shall ~~also~~ include the date the travel began and ended, the time of departure and time of return, and the purpose for the travel. The request for reimbursement must be submitted not later than sixty (60) days after the final day on which expenses were incurred for which reimbursement is sought.

Breakfast or dinner expenses for one-day travel will be allowed if the time of travel begins before 6:30 a.m. or ends after 7:00 p.m. Lunch expenses for one (1)-day travel are not allowable reimbursables.

No personal maintenance expenses shall be allowed to any State College employee when such expenses are incurred in the city or town where the residence or headquarters of such employee is located, except for meal expenses that occur when the individual is required to attend official functions, conferences or hearings within such location. Written approval to attend such activities shall be obtained from the appropriate College President or Chancellor prior to incurring the expenses.

Legal Reference: RRS 81-1174

Claims for expenses; contents; automobile; airplane; statement required; limitation

Policy Adopted: 3/11/94

Policy Revised: 9/15/06

Policy Revised

Attachment: Revisions to Board Policy 7024 (2853 : Revisions to Board Policy 7024; Meals; Reimbursement)

**ITEMS FOR DISCUSSION AND ACTION**  
**FISCAL, FACILITIES AND AUDIT**

January 13, 2021

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***ACTION:* First and Final Round Approval of Revisions to Board Policy 9006; Revenue Bonds; Use of Surplus Funds**

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Two revisions are proposed on Page 2 of Board Policy 9006. The first is to clarify that the Vice Chancellor for Finance & Administration, or the Vice Chancellor for Facilities & Information Technology, approves Contingency Maintenance reallocations that are less than the limit at which Board approval is required. This revision eliminates Chancellor approval, as it is delegated to either of the two Vice Chancellors. This approval change will make the process of Contingency Maintenance reallocation review and approval more streamlined for the Colleges, because the Vice Chancellors have historically reviewed such requests in detail, and an additional step in receiving Chancellor approval is not necessary.

The second revision is to increase the limit by which Colleges are required to receive Board approval for Contingency Maintenance reallocations. This threshold has not been revised since June of 2013, and the proposed revision would raise it from \$25,000 to \$50,000. Such an increase is appropriate considering construction inflation, and proportionally higher increases in costs for small projects.

The System Office recommends approval of the Revisions to Board Policy 9006; Revenue Bonds; Use of Surplus Funds.

**ATTACHMENTS:**

- Revisions to Board Policy 9006 (PDF)

## REVENUE BOND - AUXILIARY OPERATIONS, NEBRASKA STATE COLLEGE SYSTEM

**POLICY: 9006**

**Revenue Bonds; Use of Surplus Funds**

**Page 1 of 2**

### BOARD POLICY

The Surplus Funds on each campus are those funds remaining each year after costs of operations and maintenance have been paid and after the required minimum dollar amounts have been deposited into the various other bond funds at the end of the fiscal year. The Surplus Fund shall be drawn upon first to make up any deficiencies in the Bond Fund and/or the Bond and Interest Reserve Funds. The Surplus Fund may then be used, upon approval of the Board, to complete the Costs of Construction or Acquisition of any Improvement in the event the funds on deposit in the Construction Fund are not adequate; to pay the Costs of Construction or Acquisition of additional buildings and facilities appropriate to be purchased with revenue bond funds; and to make any extraordinary repairs, renewals, replacements, renovations, equippings, and furnishings to the revenue bond facilities of which all or part of the revenue, fees and earnings are derived from the operations and which are pledged under the revenue bond resolution to payment on the debt of the facilities. These extraordinary items are those which are not customarily included as costs of operation and maintenance and which are deemed necessary or desirable by the Board in order to maintain such revenues, fees and earnings or to maintain the facilities as a revenue-producing enterprise. It is the Board of Trustees' intent that the minimum balance to be maintained in the Surplus Funds at each of the State Colleges shall be 7.5% of the outstanding debt; however, in no circumstance shall any of the colleges' Surplus Funds be drawn down below two hundred thousand dollars (\$200,000).

Before an expenditure exceeding five hundred thousand dollars (\$500,000) for any one item can be initiated, and subsequent to Board approval, the Chancellor will submit such project to the Legislature for approval as required by law.

### PROCEDURE

An annual Contingency Maintenance Request for extraordinary repair items shall be submitted to the System Office in the format and according to the schedule developed by the System Office. The request material shall be reviewed by the Board's revenue bond financial management consultant and Vice Chancellor for Finance & Administration, and a recommendation submitted by them to the Board. The projects being requested are authorized to be initiated at the beginning of the subsequent fiscal year and expenditures for them are to be transacted after July 1 of that new fiscal year. An exception to this procedure is granted for those projects that must be completed during the subsequent summer months. The Colleges are authorized to begin planning and design activities and to place purchase orders for such Contingency Maintenance projects as soon as the Board has approved the requests. However, no payments shall be made on those projects until after July 1 of the request year. Approved projects will be initiated and completed within three (3) years of the resolution's applicable fiscal year period. Projects that have not been initiated within that time period shall be closed out and Surplus Fund balances earmarked for those specific projects shall be reclassified as uncommitted Surplus Funds. Designated funds may continue to be earmarked for those projects that have been initiated within the three-year period but, due to extraordinary circumstances, have not been completed and payment made to the vendor.

Periodically it may be necessary to expend Surplus Funds on an emergency-type project. The System Office should be notified and the College may proceed with the project, after approval is given by the Chancellor and the Fiscal, Facilities and Audit Subcommittee Chair. Such approvals shall be reported to the Board at the subsequent meeting.

If any contingency maintenance item approved by the Board exceeds its estimated cost, the College may reallocate up to one thousand dollars (\$1,000) in fund balances from other completed projects and report same to the System Office.

**REVENUE BOND - AUXILIARY OPERATIONS, NEBRASKA STATE COLLEGE SYSTEM**

**POLICY: 9006**

**Revenue Bonds; Use of Surplus Funds**

**Page 2 of 2**

If any fund balances remain from completed Contingency Maintenance projects, the College may expend up to ~~twenty five~~twenty five hundred thousand dollars (~~\$25,000~~50,000) of those funds for additional, related projects, once approved by the Vice Chancellor for Finance & Administration, or the Vice Chancellor for Facilities & Information Technology. Such reallocation shall be reported to the Board in the subsequent Contingency Maintenance Progress Report. Reallocations exceeding ~~twenty five~~twenty five hundred thousand dollars (~~\$25,000~~50,000) shall be submitted to the Board for approval prior to initiating the projects using those funds.

Legal Reference: RRS 85-408

Dormitories; housing facilities; rates, fees, charges; pledge for payment of bonds; surplus; expend; approval of Legislature

- Policy Adopted: 3/11/94
- Policy Revised: 8/29/97
- Policy Revised: 2/26/99
- Policy Revised: 6/2/06
- Policy Revised: 9/15/06
- Policy Revised: 4/13/07
- Policy Revised: 6/25/13
- Policy Revised: 6/2/14

Policy Revised:

Attachment: Revisions to Board Policy 9006 (2858 : Revisions to Board Policy 9006; Revenue Bonds; Use of Surplus Funds)

**ITEMS FOR DISCUSSION AND ACTION FISCAL, FACILITIES AND AUDIT**

January 13, 2021

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**ACTION:** **Approve Acceptance of Basic Financial Audit Report for Year Ended June 30, 2020**

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The Auditor of Public Accounts (APA) has completed the Nebraska State College System (NSCS) basic financial audit for the fiscal years ending June 30, 2020 and 2019. The audit is attached.

The audit contains an unmodified opinion from the APA and states: "In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component units of the NSCS, as of June 30, 2020 and 2019, and December 31, 2019 and 2018, (Peru State College Foundation) and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America."

The Facilities Corporation is included in the basic financial audit as a blended component unit of the NSCS. BKD performed a separate audit of the Facilities Corporation, which was accepted at the Annual Meeting of the Board of Directors of the Facilities Corporation on November 12, 2020.

A separate audit of the Revenue Bond program was also completed by BKD and accepted by the Board of Trustees at its November 12, 2020 meeting. The Revenue Bond program activity is incorporated into the basic financial audit figures.

The Colleges' Foundations are included as discretely presented component units in the audit report in accordance with Governmental Accounting Standards Board (GASB) standards. The Foundations' financial statements and corresponding footnotes are incorporated from private audits accepted by the individual foundation boards.

There are no report findings included this year.

The System Office recommends approval of the Basic Financial Audit Report for Year Ended June 30, 2020.

**ATTACHMENTS:**

- Nebraska State College System Audit Report FY20 and FY19 (PDF)

**AUDIT REPORT  
OF THE  
NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)**

**For the Years Ended June 30, 2020 and 2019**

**This document is an official public record of the State of Nebraska, issued by  
the Auditor of Public Accounts.**

**Modification of this document may change the accuracy of the original  
document and may be prohibited by law.**

**Issued on December 15, 2020**

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

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# NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

## INDEPENDENT AUDITOR'S REPORT

Board of Trustees of the Nebraska State College System  
Lincoln, NE

### *Report on the Financial Statements*

We have audited the accompanying financial statements of the business-type activities and the discretely presented component units of the Nebraska State College System (NSCS) (a component unit of the State of Nebraska), as of and for the years ended June 30, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the Nebraska State College System's basic financial statements, as listed in the Table of Contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the accompanying financial statements of the Chadron State, Peru State College, and Wayne State Foundations (Foundations), discretely presented component units of the NSCS, as of and for the years ended June 30, 2020 and 2019, December 31, 2019 and 2018, and June 30, 2020 and 2019, respectively. Those statements are presented separately on pages 19 through 21, 23 through 27, and 30 through 32. We also did not audit the financial statements of the Nebraska State Colleges Facilities Corporation, a blended component unit of the NSCS, and the activity of the Nebraska State College System Revenue and Refunding Bond Program, which represent 31 percent and 26 percent, respectively, of total assets, and 87 percent and 85 percent, respectively, of total liabilities, and 4 percent and 2 percent, respectively, of total net position at June 30, 2020 and 2019, and total revenues constituting 20 percent and 20 percent, respectively, of the primary government for the years then ended. Those statements were audited by other auditors whose reports have been furnished to us, along with the Foundations' reports, which appear herein, and our opinion, insofar as it relates to the amounts included for the Foundations, the Nebraska State College System Revenue and Refunding Bond Program, and the Nebraska State Colleges Facilities Corporation, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Foundations, Revenue and Refunding Bond Program, and the Facilities Corporation were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments,

the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the NSCS's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component units of the NSCS, as of June 30, 2020 and 2019, and December 31, 2019 and 2018, (Peru State College Foundation) and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As discussed in Note 1 to the financial statements, the 2019 financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, on pages 9 through 16, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the NSCS's basic financial statements. The schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2020, on our consideration of the NSCS's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the NSCS's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the NSCS's internal control over financial reporting and compliance.



Zachary Wells, CPA, CISA  
Audit Manager

December 14, 2020

## Independent Auditor's Report

Board of Directors  
Chadron State Foundation  
Chadron, Nebraska

We have audited the accompanying financial statements of Chadron State Foundation (a nonprofit organization), which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Chadron State Foundation as of June 30, 2020 and 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.



Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Statements of Activities by Fund on pages 26 through 29 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Casey Peterson, Ltd.  
Rapid City, South Dakota  
October 12, 2020



## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors Peru State College Foundation

We have audited the accompanying financial statements of Peru State College Foundation (the foundation) which comprise the statements of financial position as of December 31, 2019 and 2018, and the related statement of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Peru State College Foundation as of December 31, 2019 and 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Emphasis of Matter – Correction of Error

As described in Notes, G, H, I and N to the financial statements, certain errors resulting in an overstatement of net assets without donor restrictions as of December 31, 2018, were discovered by management of the foundation during the current year. Accordingly, a prior period adjustment was made that restated balances of the previously issued financial statements of our report dated October 21, 2019. The result of the restatement was to decrease net asset without donor restrictions and increase net assets with donor restrictions by \$1,728,881. Additionally, on the restated statement of activities the net investment income was changed to reflect the appropriate allocation of net investment income and the management fees earned by the foundation. This correction resulted in an increase of net assets without donor restrictions and a decrease in net assets with donor restrictions by \$999,717. Our opinion is not modified with respect to this matter.

*Hayes & Associates, L.L.C.*

Hayes & Associates, L.L.C.  
Omaha, Nebraska  
October 16, 2020



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## INDEPENDENT AUDITOR'S REPORT

The Board of Trustees  
Wayne State Foundation  
Wayne, Nebraska

We have audited the accompanying financial statements of the Wayne State Foundation which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Wayne State Foundation as of June 30, 2020 and 2019 and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## Emphasis of Matter

As discussed in Note N to the financial statements, in 2019, the entity adopted new accounting guidance ASU 2014-09, *Revenue from Contracts with Customers*, ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, ASU 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement*, and ASU 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash*. Our opinion is not modified with respect to this matter.

*HBE LLP*

Lincoln, Nebraska  
September 20, 2019

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**MANAGEMENT’S DISCUSSION AND ANALYSIS – UNAUDITED**

This section of the Nebraska State College System’s (NSCS) financial report presents a narrative overview and analysis of the financial activities of the NSCS for the fiscal years ended June 30, 2020 and 2019. The analysis has been prepared by management of the NSCS and is intended to be read with the financial statements and the related footnotes that follow this section.

Management’s discussion and analysis relates only to the NSCS and does not include any overview of the financial position and activities of the Chadron State Foundation, Peru State College Foundation, and Wayne State Foundation, which are considered component units of the NSCS.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the NSCS’s basic financial statements, which include: 1) Statements of Net Position; 2) Statements of Revenues, Expenses, and Changes in Net Position; 3) Statements of Cash Flows; and 4) Notes to the Financial Statements. This report also contains information in addition to the basic financial statements.

The Statements of Net Position present information on all of the NSCS’s assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between these elements reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the NSCS is improving or deteriorating.

The Statements of Revenues, Expenses, and Changes in Net Position present information showing how the NSCS’s net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in these statements for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

The Statements of Cash Flows present the NSCS’s flows of cash by defined categories. The primary purpose of the Statements of Cash Flows is to provide information about the NSCS’s cash receipts and payments during the year.

The Notes to the Financial Statements provides additional information that is essential to a full understanding of the data provided in the financial statements.

**FINANCIAL ANALYSIS OF THE NSCS**

The NSCS includes Chadron State College (CSC), Peru State College (PSC), Wayne State College (WSC), and the NSCS Office in Lincoln. The designation as a single entity reflects the general governing authority of the Board of Trustees, including the authority to distribute the State appropriation among the Colleges and the NSCS Office.

The audited financials for the NSCS include information on the Nebraska State Colleges Facilities Corporation (Corporation), a non-profit corporation statutorily created to allow the NSCS to finance building projects of the Board of Trustees of the Nebraska State College System on any of its campuses, through the issuance of notes, bonds, or other obligations. The members of the Board of Trustees serve as the Board of Directors of the Corporation. Outstanding bonds issued by the Corporation are those authorized under LB 198, passed in 2013, LB 957, passed in 2016 and LB 297, passed in 2019. Repayment is from legislative appropriations and student fees. The long-term debt of the Corporation accrues to the NSCS Office, while the assets acquired as the result of renovations and new construction appear as assets at the individual Colleges.

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED**  
(Continued)

Audit information from the Chadron State Foundation, Peru State College Foundation, and Wayne State Foundation is included in the report as well. With implementation of Governmental Accounting Standards Board (GASB) Statement No. 39, the Foundations of the Colleges have been deemed to be component units of the NSCS. Those Foundations' financial statements are presented separately on pages 19 through 21, 23 through 27, and 30 through 32 of this report.

Condensed statements are presented below for the NSCS for the years ended June 30, 2020, 2019, and 2018.

**Nebraska State College System**  
**Net Position as of June 30**

	<b>2020</b>	<b>2019</b> <b>As Restated</b>	<b>2018</b>
<b>Current Assets</b>	\$ 71,631,537	\$ 65,324,730	\$ 68,902,086
<b>Non-current Assets</b>			
Capital Assets, Net	234,415,245	238,272,063	234,841,616
Other Non-current Assets	32,200,565	6,574,268	13,378,157
<b>Total Assets</b>	<u>338,247,347</u>	<u>310,171,061</u>	<u>317,121,859</u>
<b>Deferred Outflow of Resources</b>	<u>28,403</u>	<u>32,180</u>	<u>35,959</u>
<b>Current Liabilities</b>	20,972,812	17,167,927	21,272,732
<b>Non-current Liabilities</b>	91,354,683	72,103,437	78,037,464
<b>Total Liabilities</b>	<u>112,327,495</u>	<u>89,271,364</u>	<u>99,310,196</u>
<b>Deferred Inflow of Resources</b>	<u>471</u>	<u>11,765</u>	<u>23,060</u>
<b>Net Position</b>			
Net Investment in Capital Assets	170,023,025	170,637,224	163,790,577
Restricted	27,150,147	24,005,365	24,599,401
Unrestricted	28,774,612	26,277,523	29,434,584
<b>Total Net Position</b>	<u>\$ 225,947,784</u>	<u>\$ 220,920,112</u>	<u>\$ 217,824,562</u>

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED**  
(Continued)

**Nebraska State College System**  
**Revenues, Expenses, and Changes in Net Position for Year Ended June 30**

	<u>2020</u>	<u>2019 As Restated</u>	<u>2018</u>
<b>Operating Revenues</b>			
Tuition and Fees, Net	\$ 32,847,286	\$ 30,853,287	\$ 30,742,444
Federal and State Grants and Contracts	3,697,030	2,656,881	2,578,294
Private Grants and Contracts	543,774	667,713	798,969
Auxiliary Enterprises, Net	17,104,213	17,703,801	17,259,109
Other Operating Revenues	2,017,823	1,918,866	1,502,607
Total Operating Revenues	<u>56,210,126</u>	<u>53,800,548</u>	<u>52,881,423</u>
<b>Operating Expenses</b>	<u>130,132,548</u>	<u>123,595,997</u>	<u>118,399,723</u>
<b>Operating Loss</b>	<u>(73,922,422)</u>	<u>(69,795,449)</u>	<u>(65,518,300)</u>
<b>Non-operating Revenues (Expenses)</b>			
State Appropriations	53,551,539	51,622,205	51,091,162
Federal and State Grants and Contracts	16,740,773	12,507,412	11,950,945
Investment Income	1,401,440	1,654,620	1,507,137
Interest on Capital Asset-Related Debt	(1,745,553)	(1,877,741)	(2,024,124)
Gain (Loss) on Disposal of Asset	(267)	11,105	(16,117)
Bond Issuance Costs	(280,912)	-	-
Other Non-operating Revenues (Expenses)	28,431	45,124	(1,554,178)
Net Non-operating Revenues	<u>69,695,451</u>	<u>63,962,725</u>	<u>60,954,825</u>
<b>Loss before Other Revenues, Expenses, Or Gains (Losses)</b>	<u>(4,226,971)</u>	<u>(5,832,724)</u>	<u>(4,563,475)</u>
<b>Other Revenues (Expenses) or Gains (Losses)</b>			
Capital Facilities Fee	2,348,430	2,157,814	2,102,454
Capital Contributions	2,420,174	2,471,221	2,975,634
Capital Appropriations and Grants	4,486,039	4,299,239	5,174,581
Net Other Revenues (Expenses) or Gains (Losses)	<u>9,254,643</u>	<u>8,928,274</u>	<u>10,252,669</u>
<b>Increase in Net Position</b>	5,027,672	3,095,550	5,689,194
<b>Net Position, Beginning of Year</b>	<u>220,920,112</u>	<u>217,824,562</u>	<u>212,135,368</u>
<b>Net Position, End of Year</b>	<u>\$ 225,947,784</u>	<u>\$ 220,920,112</u>	<u>\$ 217,824,562</u>

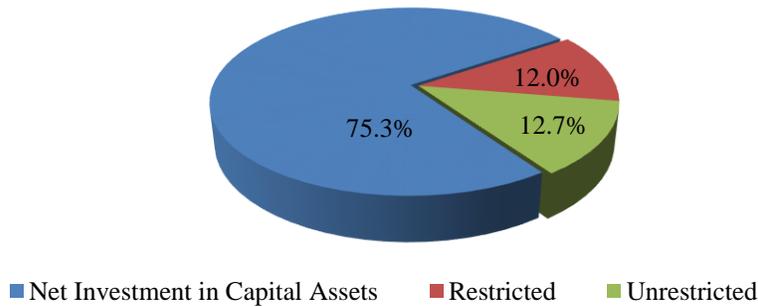
NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

MANAGEMENT’S DISCUSSION AND ANALYSIS – UNAUDITED  
(Continued)

**CHANGES IN NET POSITION**

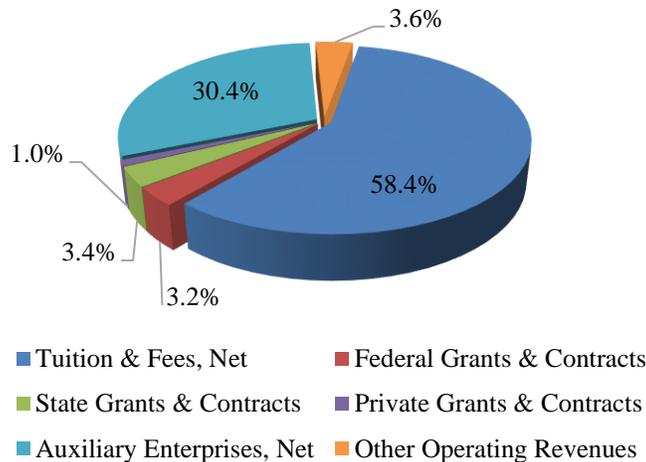
At June 30, 2020, the NSCS had a net position of \$225.9 million, an increase of \$5.0 million or 2.3% over 2019, and up 3.7% from 2018. Net position was comprised of unrestricted – \$28.8 million; restricted – \$27.1 million; and net investment in capital assets – \$170.0 million.

**Net Position at June 30, 2020**



Operating revenues for fiscal year 2020 were \$56.2 million compared to \$53.8 million in 2019, a 4.5% increase, and were 6.3% over fiscal year 2018 operating revenues. Operating revenues for 2020 include \$32.9 million in net tuition and fees, Federal grants and contracts of \$1.8 million, State grants and contracts of \$1.9 million, private grants and contracts of \$0.5 million, net auxiliary enterprises of \$17.1 million, and other operating revenues of \$2.0 million.

**Fiscal Year 2020 Operating Revenues**

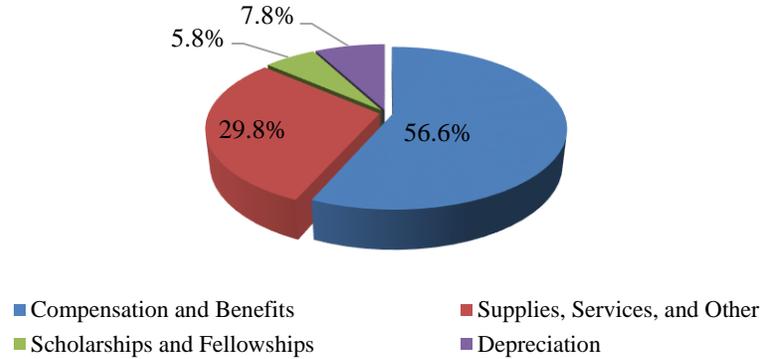


NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

MANAGEMENT’S DISCUSSION AND ANALYSIS – UNAUDITED  
(Continued)

Operating expenses for the year ended June 30, 2020, amounted to \$130.1 million, compared to \$123.6 million in 2019, and \$118.4 million in 2018. Compensation and benefits accounted for \$73.6 million, or 56.6% of the total; Supplies, services, and other were \$38.8 million; depreciation, \$10.2 million; and scholarships and fellowships, \$7.5 million.

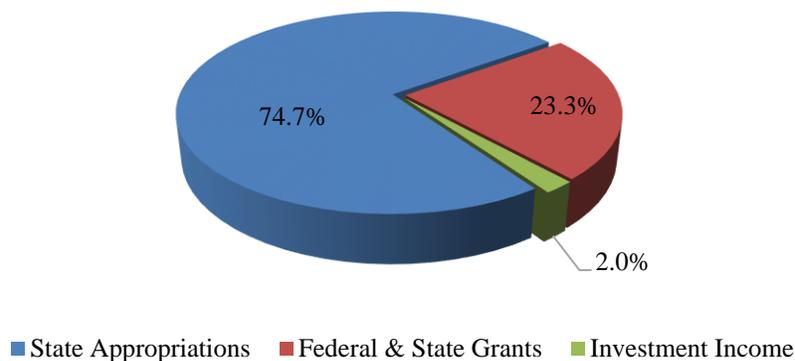
**Fiscal Year 2020 Operating Expenses**



The current year operating loss amounted to \$73.9 million, compared to an operating loss of \$69.8 million in 2019 and \$65.5 million in 2018.

Non-operating revenues consist of State appropriations, Federal and State grants, and investment income.

**Fiscal Year 2020 Non-Operating Revenues**



The most significant change in the schedule of net position from the fiscal year ended June 30, 2018, to the fiscal year ended June 30, 2019, was a decrease in overall cash and cash equivalents, an increase in capital assets, a decrease in accounts payable, along with a decrease in long-term debt. The change in three of the accounts is related to bond funds used for further completion of the capital construction projects related to the Stadium at CSC, the Theatre at PSC, and the Center for Applied Technology at WSC.

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED**  
(Continued)

The most significant change in the schedule of net position from the fiscal year ended June 30, 2019, to the fiscal year ended June 30, 2020, was an increase in overall cash and cash equivalents, an increase in unearned revenue, along with an increase in long-term debt. The changes in cash and long-term debt is in correlation with the issuance of new Facilities Corporation bonds during the fiscal year. The proceeds of these bonds are for the construction project related to the Math Science Building renovation at CSC. The change in unearned revenue is due to new food service and vending contracts being awarded during the fiscal year.

Fiscal year 2020 operating revenues increased from prior fiscal year, tuition and fee income by \$2 million or 6.5%, auxiliary enterprise revenues decreased \$0.6 million or 3.4%, and Federal, State, and private grants and contracts increased \$0.9 million or 27.6%. From 2018 to 2020, there were increases in tuition and fees of 6.8% and decrease of 0.9% in auxiliary enterprise, while Federal, State, and private grants increased 25.6% from 2018 to 2020.

The decrease in auxiliary enterprise is due to lost revenue when the COVID-19 pandemic began. All courses at the Colleges moved to an online format mid to late March, and the Colleges issued room and board refunds for students who chose to leave at that time. The increase in operating revenues for Federal, State, and private grants and contracts can be largely attributed to LB309 funding for maintenance projects that did not meet the Board's capitalization threshold.

Fiscal year 2020 non-operating revenues reflect a \$1.9 million or 3.7% increase in State appropriations, 33.8% increase in Federal and State grants and contracts, and a 15.3% decrease in investment income over fiscal year 2019. State appropriations increased 4.8%, Federal and State grants and contracts increased 40.1% and investment income decreased 7.0% between fiscal years 2020 and 2018.

The increase in Federal and State grants and contracts is largely due to the colleges receiving almost \$4.3 million as part of the CARES Act due to the COVID-19 pandemic. As part of the CARES Act, the Colleges were able to recuperate the majority of lost revenue with the Institutional share of the federal grant.

Operating expenses for the year ended June 30, 2020, increased by \$6.5 million or 5.3% from the previous fiscal year. Within the operating expenses category, compensation and benefits increased approximately \$2.5 million, supplies, services, and other operating expenses increased \$1.1 million, scholarships and fellowships increased \$2.8 million and depreciation increased by \$0.1 million. The increase in scholarship and fellowship is mainly attributed to the Colleges distributing the Student share of the CARES Act federal grant. Health insurance premiums increased in 2017-2018, had no increase in 2018-2019, and increased in 2019-2020 with the overall composite rates for medical and dental insurance increasing 8.0%, 0.0%, 5.0% and respectively.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

As of June 30, 2020, the NSCS had recorded \$371.3 million in gross capital assets. During the fiscal year ended June 30, 2020, the investment in buildings and improvements increased by \$1.2 million; infrastructure increased by \$0.2 million; equipment increased by \$0.5 million; and construction in progress increased by \$4.0 million. At the end of the fiscal year, the NSCS had \$136.9 million in accumulated depreciation that left \$234.4 million in net capital assets. Accumulated depreciation for fiscal years 2019 and 2018 were \$127.1 million and \$117.3 million, respectively, and net capital assets were \$238.3 million and \$234.8 million, respectively.

The NSCS had \$100.7 million in long-term liabilities at the end of the 2020 fiscal year. These long-term liabilities consisted primarily of outstanding bonded indebtedness of \$87.9 million. Long-term liabilities were \$78.1 million and \$84.5 million at the end of fiscal years 2019 and 2018, respectively. Additional debt of \$23.5 million was issued in fiscal year 2020.

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED**  
(Continued)

Several construction projects have been completed at the Colleges, including the Armstrong Gymnasium Roof Replacement and the High Rise Plumbing Upgrades at CSC; the Field House Phase II Site Improvements, the Electrical Upgrades at Centennial Complex, and the Fire Alarm Upgrades at six campus buildings at PSC; and the Morey Hall Fire Sprinklers Installation and the Student Center HVAC South Penthouse Upgrade at WSC. The funding for these projects came from Facilities Corporation bonds, College cash funds, LB 309 Building Renewal Task Force funds, contingency maintenance funds, capital improvement fees, and/or privately raised funds.

Renovation and construction was also in progress for several projects, including the Andrews Hall Elevator Upgrade and Athletic Track Facility at CSC; the ADA Accessibility Improvements and the replacement of 26 roofs due to hail damage at PSC; and the Energy Plant Efficiency Upgrades, the Morey Hall Restrooms Upgrades, and the Natatorium Indoor Athletic Facility project at WSC. The funding for these projects come from various sources including Facilities Corporation bonds, capital improvement fees, the LB 309 Building Renewal Task Force, College cash funds, contingency maintenance funds, and/or privately raised funds.

Planning & Design was in process for the Math Science Renovation & Addition project at CSC; the Campus ADA Accessibility Improvements at PSC; and the Benthack Hall Renovation project at WSC.

All projects using bond proceeds from LB 605 (2006) and LB 198 (2013) are complete. LB 957 (2016) extended the appropriations related to the LB 605 bonds to fiscal year 2030. This allowed for the refunding of the LB 605 bonds and the issuance of new bond proceeds in order to help fund the replacement of the Stadium at CSC, the renovation/addition of the Theatre/Event Center at PSC, and the construction of the Center for Applied Technology (CAT) at WSC, all of which are complete. The bonds resulting from LB 957 provided about \$22 million in capital project funds.

LB 297, passed and approved in May of 2019, extended the appropriations related to the LB 198 bonds to fiscal year 2035. This allows for the issuance of new bonds in order to help fund the Math Science Renovation and Addition project at CSC. These bonds were sold in the spring of 2020, netting \$26 million in proceeds for construction.

Various smaller deferred repair and fire and life safety upgrades – primarily funded through the contingency maintenance programs and the LB309 Task Force for Building Renewal - are in progress at all three State Colleges.

See the notes to the financial statements for additional discussion of capital assets and long-term liabilities.

**ECONOMIC OUTLOOK AND SUBSEQUENT EVENTS THAT WILL AFFECT THE FUTURE**

The Governor and Legislature approved State funding for 2019-2020 at \$53,548,946 and 2020-2021 at \$55,527,357, increase of approximately 3.7%. However, LB1008 (2020), increased the fiscal year 2021 appropriation to \$56,527,357 for \$1,000,000 in state aid for the Nebraska Career Scholarships.

The Board of Trustees increased tuition rates for 2020-2021. Tuition rates for 2020-2021 are \$186 for undergraduate resident, \$232.50 for graduate resident, \$372 for undergraduate non-resident, and \$465 for graduate non-resident. Online rates are \$299 for undergraduate and \$380 for graduate. Tuition rates for 2019-2020 were \$181.50 for undergraduate resident, \$227 for graduate resident, \$363 for undergraduate non-resident, and \$454 for graduate non-resident. Online rates were \$296.50 for undergraduate and \$370.75 for graduate.

In accordance with the NSCS Bargaining Unit agreements for 2019-2021, each unit member of professional staff will receive a 2.5% increase in both the 2019-2020 and 2020-2021 fiscal years. Faculty will receive a 2.5% increase for both the 2019-2020 and 2020-2021 fiscal years. Support staff will also receive a 2.5% increase for both the 2019-2020 and 2020-2021 fiscal years, while maintaining longevity increases.

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED**  
(Concluded)

In addition to receiving notification that there will be a 6.71% increase in health insurance premium rates for the 2020-2021 year, the NSCS has been notified that there will be a 2.96% increase in premium rates for the 2021-2022 year.

As noted earlier, the Colleges were directly impacted by COVID-19 when the Spring 2020 term classes moved online and students were offered refunds if they chose to leave campus, although campuses did remain open. For Fall 2020, the Colleges welcomed students back a week early and will end the regular fall session just prior to Thanksgiving. A three-week December term has been added, giving students an opportunity to take additional courses, complete an internship, or return home and work until the start of the spring semester. The fall term has included significant changes to face-to-face instruction that include social distancing and the wearing of face masks or other coverings. Preparations have included considerations of traffic flow, room sizes and capacity/seating considerations, additional cleaning protocols, the provision of personal protection equipment (PPE), and for resident students, adjustments to food service and designated areas for quarantine, as needed. The State of Nebraska provided a significant contribution of PPE and available testing capacity. These supplies were critical in the NSCS's ability to resume face-to-face classes and to have students return to living in the residence halls. It is difficult to predict the magnitude or length of the impact of the coronavirus pandemic on the NSCS; however, the NSCS is monitoring closely for any impact on students. This is a continually evolving situation and decisions are being made daily. The leadership teams, with input from all the appropriate external and internal resources available, will continue to move forward with decisions, as appropriate.

Enrollment at the State Colleges (annual FTE) slightly increased for 2019-2020. Fall enrollments are expected to slightly increase for 2020-2021. The NSCS continues to engage in an increased emphasis on enrollment management and marketing.

NEBRASKA STATE COLLEGE SYSTEM – PRIMARY GOVERNMENT  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)  
**STATEMENTS OF NET POSITION**  
June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u> As Restated
<b>Assets</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	\$ 38,505,340	\$ 35,505,109
Restricted Cash and Cash Equivalents	29,673,745	26,807,234
Accounts Receivable, Net of Allowance	1,274,522	1,210,459
Other Receivables	564,537	415,411
Inventories	85,397	58,262
Loans to Students, Net	181,165	175,830
Prepaid Expenses	1,344,564	1,149,717
Deposits with Vendors	2,267	2,708
Total Current Assets	<u>71,631,537</u>	<u>65,324,730</u>
<b>Non-current Assets</b>		
Restricted Cash and Cash Equivalents	30,762,676	3,758,307
Restricted Investments	762,532	2,076,825
Loans to Students, Net	448,928	625,627
Prepaid Expenses	226,429	113,509
Capital Assets, Net	234,415,245	238,272,063
Total Non-current Assets	<u>266,615,810</u>	<u>244,846,331</u>
Total Assets	<u>338,247,347</u>	<u>310,171,061</u>
<b>Deferred Outflow of Resources</b>		
Unamortized Bond Refunding Amount, Net	28,403	32,180
Total Deferred Outflow of Resources	<u>28,403</u>	<u>32,180</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts Payable and Accrued Liabilities	9,589,670	9,173,052
Accrued Compensated Absences	647,658	433,059
Unearned Revenue	1,082,948	731,471
Interest Payable	1,001,222	989,317
Master Lease Payable	87,546	102,475
Long-term Debt	6,915,000	5,430,000
Deposits Held in Custody for Others	343,483	308,553
Refundable Government Grants	1,305,285	-
Total Current Liabilities	<u>20,972,812</u>	<u>17,167,927</u>
<b>Non-current Liabilities</b>		
Accrued Compensated Absences	3,721,463	3,458,227
Refundable Government Grants	-	1,509,621
Unearned Revenue	1,179,000	-
Master Lease Payable	281,697	-
Long-term Debt	86,172,523	67,135,589
Total Non-current Liabilities	<u>91,354,683</u>	<u>72,103,437</u>
Total Liabilities	<u>112,327,495</u>	<u>89,271,364</u>

(Continued)

NEBRASKA STATE COLLEGE SYSTEM – PRIMARY GOVERNMENT  
 (A COMPONENT UNIT OF THE STATE OF NEBRASKA)  
**STATEMENTS OF NET POSITION**  
 June 30, 2020 and 2019

	<b>2020</b>	<b>2019 As Restated</b>
<b>Deferred Inflow of Resources</b>		
Unamortized Bond Refunding Amount, Net	471	11,765
Total Deferred Inflow of Resources	471	11,765
<b>Net Position</b>		
Net Investment in Capital Assets	170,023,025	170,637,224
Restricted for:		
Expendable:		
Loans	(515,670)	(418,606)
Debt service	5,613,838	4,179,626
Plant	5,978,134	4,446,734
Other	16,073,845	15,797,611
Unrestricted	28,774,612	26,277,523
Total Net Position	\$ 225,947,784	\$ 220,920,112
		(Concluded)

The accompanying notes are an integral part of the financial statements.

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**CHADRON STATE FOUNDATION**  
(A COMPONENT UNIT OF THE NEBRASKA STATE COLLEGE SYSTEM)  
**STATEMENTS OF FINANCIAL POSITION**

June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 1,182,560	\$ 1,574,989
Investments	21,518,421	21,376,970
Pledges Receivable, Net of Allowance and Discount	793,813	1,241,116
Prepaid Expenses	9,334	-
Certificates of Deposit	786,063	775,876
Beneficial Interest In Estate Bequest	3,516	851,896
Other Assets	41,852	44,914
Property and Equipment, Net of Accumulated Depreciation	38,530	38,756
<b>TOTAL ASSETS</b>	<u>\$ 24,374,089</u>	<u>\$ 25,904,517</u>
<b>LIABILITIES AND NET ASSETS</b>		
Accounts Payable	\$ 7,869	\$ 16,949
Accrued Salaries and Benefits	34,574	12,801
Scholarships Payable	574,145	513,769
Refundable Advances	97,899	-
Annuity Liability	5,534	8,596
Total Liabilities	<u>720,021</u>	<u>552,115</u>
Net Assets Without Donor Restrictions:		
Operating Fund	45,103	2,898
CSC General Fund	527,877	533,617
CSC Quasi Endowment	861,654	822,652
Greatest Need	681,939	508,861
Total Net Assets Without Donor Restrictions	<u>2,116,573</u>	<u>1,868,028</u>
Net Assets with Donor Restrictions:		
Restricted by Time or Purpose	2,562,456	4,534,826
Restricted in Perpetuity	18,975,039	18,949,548
Total Net Assets with Donor Restrictions	<u>21,537,495</u>	<u>23,484,374</u>
Total Net Assets	<u>23,654,068</u>	<u>25,352,402</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 24,374,089</u>	<u>\$ 25,904,517</u>

The accompanying notes are an integral part of the financial statements.

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**PERU STATE COLLEGE FOUNDATION**  
(A COMPONENT UNIT OF THE NEBRASKA STATE COLLEGE SYSTEM)

**STATEMENT OF FINANCIAL POSITION**

December 31, 2019 and 2018

	2019	(Restated) 2018
Assets		
Current Assets		
Cash and cash equivalents	\$ 591,452	\$ 589,476
Cash investments	244,530	584,049
Unconditional promises to give	194,405	293,157
Interest receivable	1,086	1,348
Pledges receivable	-	3,899
Current portion of note receivable	-	24,996
Total Current assets	1,031,473	1,496,925
Property and Equipment		
Land	60,947	60,947
Office furniture and fixtures	209,352	35,681
Vehicles	31,754	31,754
Less accumulated depreciation	(64,954)	(50,491)
Total Property and Equipment	237,099	77,891
Other Assets		
Investments	16,231,946	11,930,934
Real estate held for future college use	338,862	338,862
Total Other Assets	16,570,808	12,269,796
Total Assets	\$ 17,839,380	\$ 13,844,612
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 6,201	\$ 45,109
Accrued compensation	24,761	76,494
Refundable deposits	13,468	18,022
Short term note payable	-	59,102
Total Current Liabilities	44,430	198,727
NET ASSETS		
Without Donor Restrictions	2,644,412	3,468,183
With Donor Restrictions	15,150,538	10,177,702
Total Net Assets	17,794,950	13,645,885
Total Liabilities and Net Assets	\$ 17,839,380	\$ 13,844,612

The accompanying notes are an integral part of the financial statements.

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**WAYNE STATE FOUNDATION**  
(A COMPONENT UNIT OF THE NEBRASKA STATE COLLEGE SYSTEM)  
**STATEMENTS OF FINANCIAL POSITION**

June 30,

ASSETS

	2020	2019
<b>ASSETS</b>		
Cash and cash equivalents, unrestricted (note A)	\$ 159,940	\$ 163,120
Cash and cash equivalents, restricted (note A)	1,979,354	973,382
Accrued interest receivable	-	1,043
Unconditional promises to give (notes A, B and C)	1,953,937	1,444,057
Investments (notes A and C)	28,154,082	27,846,881
Prepaid expenses	-	6,673
Property and equipment (notes A and D)	276,643	285,848
Cash surrender value of life insurance	91,223	87,962
Assets restricted for annuity contracts (notes C and E)	573,024	654,670
Assets held in perpetual trust (note C)	916,628	952,317
	\$ 34,104,831	\$ 32,415,953

LIABILITIES AND NET ASSETS

<b>LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 77,871	\$ 87,301
Note payable (note J)	117,556	-
Payable for capital improvements	3,992	28,578
Unearned event revenue	2,125	4,800
Annuities payable (notes C and E)	272,368	287,686
	473,912	408,365
<b>NET ASSETS (notes A and F)</b>		
Without donor restrictions	3,385,805	3,775,649
With donor restrictions	30,245,114	28,261,939
	33,630,919	32,037,588
Total net assets	33,630,919	32,037,588
Total liabilities and net assets	\$ 34,104,831	\$ 32,445,953

The accompanying notes are an integral part of the financial statements.

NEBRASKA STATE COLLEGE SYSTEM – PRIMARY GOVERNMENT  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)  
**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
Fiscal Years Ended June 30, 2020 and 2019

	2020	2019 As Restated
<b>Operating Revenues</b>		
Tuition and Fees Net of Scholarship Allowances and Institutional Waivers Totaling \$14,347,566 in 2020 and \$13,096,775 in 2019	\$ 32,847,286	\$ 30,853,287
Federal Grants and Contracts	1,796,468	1,854,954
State Grants and Contracts	1,900,562	801,927
Private Grants and Contracts	543,774	667,713
Auxiliary Enterprises Net of Scholarship Allowances and Institutional Waivers Totaling \$4,684,340 in 2020 and \$5,093,949 in 2019	17,104,213	17,703,801
Other Operating Revenues	2,017,823	1,918,866
<b>Total Operating Revenues</b>	<b>56,210,126</b>	<b>53,800,548</b>
<b>Operating Expenses</b>		
Compensation and Benefits	73,600,048	71,076,212
Supplies, Services, and Other	38,802,772	37,734,639
Scholarships and Fellowships	7,560,212	4,774,345
Depreciation	10,169,516	10,010,801
<b>Total Operating Expenses</b>	<b>130,132,548</b>	<b>123,595,997</b>
<b>Operating Loss</b>	<b>(73,922,422)</b>	<b>(69,795,449)</b>
<b>Non-operating Revenues (Expenses)</b>		
State Appropriations	53,551,539	51,622,205
Federal Grants and Contracts	15,258,522	11,124,098
State Grants and Contracts	1,482,251	1,383,314
Investment Income	1,401,440	1,654,620
Interest on Capital Asset-Related Debt	(1,745,553)	(1,877,741)
Gain (Loss) on Disposal of Asset	(267)	11,105
Bond Issuance Costs	(280,912)	-
Other Non-operating Revenue (Expense)	28,431	45,124
<b>Net Non-operating Revenues (Expenses)</b>	<b>69,695,451</b>	<b>63,962,725</b>
<b>Loss Before Other Revenues, Expenses, or Gains (Losses)</b>	<b>(4,226,971)</b>	<b>(5,832,724)</b>
<b>Other Revenues (Expenses) or Gains (Losses)</b>		
Capital Facilities Fees	2,348,430	2,157,814
Capital Contributions	2,420,174	2,471,221
Capital Appropriations and Grants	4,486,039	4,299,239
<b>Net Other Revenues (Expenses) or Gains (Losses)</b>	<b>9,254,643</b>	<b>8,928,274</b>
<b>Increase in Net Position</b>	<b>5,027,672</b>	<b>3,095,550</b>
<b>Net Position, Beginning of Year</b>	<b>220,920,112</b>	<b>217,824,562</b>
<b>Net Position, End of Year</b>	<b>\$ 225,947,784</b>	<b>\$ 220,920,112</b>

The accompanying notes are an integral part of the financial statements.

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**CHADRON STATE FOUNDATION**  
(A COMPONENT UNIT OF THE NEBRASKA STATE COLLEGE SYSTEM)  
**STATEMENTS OF ACTIVITIES**  
For the Years Ended June 30, 2020 and 2019

	2020			
	Without Donor Restriction	With Donor Restriction		Total
		Restricted by Time or Purpose	Restricted in Perpetuity	
<b>REVENUES, GAINS (LOSSES), AND OTHER SUPPORT</b>				
Contributions	\$ 227,962	\$ 838,043	\$ -	\$ 1,066,005
Principle Contributions to Named Endowments	-	-	309,774	309,774
State Income	214,008	-	-	214,008
Investment Return	(65,983)	(317,731)	-	(383,714)
Event Income	1,065	43,974	-	45,039
Miscellaneous Income	1,117	4,754	-	5,871
Total Revenues and Other Support	378,169	569,040	309,774	1,256,983
Transfer Between Net Assets	230,446	53,837	(284,283)	-
Released from Restriction:				
Released for Management Fees	384,182	(384,182)	-	-
Purpose Restrictions Accomplished	2,211,065	(2,211,065)	-	-
Total Support and Reclassifications	3,203,862	(1,972,370)	25,491	1,256,983
<b>EXPENSES</b>				
Program Services	\$ 2,481,554	\$ -	\$ -	\$ 2,481,554
General and Management	180,382	-	-	180,382
Fundraising	293,381	-	-	293,381
Total Expenses	2,955,317	-	-	2,955,317
<b>CHANGE IN NET ASSETS</b>	248,545	(1,972,370)	25,491	(1,698,334)
<b>NET ASSETS, BEGINNING OF YEAR</b>	1,868,028	4,534,826	18,949,548	25,352,402
<b>NET ASSETS, END OF YEAR</b>	\$ 2,116,573	\$ 2,562,456	\$ 18,975,039	\$ 23,654,068

The accompanying notes are an integral part of the financial statements.

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**CHADRON STATE FOUNDATION**  
(A COMPONENT UNIT OF THE NEBRASKA STATE COLLEGE SYSTEM)  
**STATEMENTS OF ACTIVITIES**  
For the Years Ended June 30, 2020 and 2019

	2019			
	Without Donor Restriction	With Donor Restriction		Total
		Restricted by Time or Purpose	Restricted in Perpetuity	
<b>REVENUES, GAINS (LOSSES), AND OTHER SUPPORT</b>				
Contributions	\$ 325,149	\$ 1,256,819	\$ -	\$ 1,581,968
Principle Contributions to Named Endowments	-	-	1,354,004	1,354,004
State Income	219,950	-	-	219,950
Investment Return	206,279	718,949	-	925,228
Event Income	3,290	63,391	-	66,681
Miscellaneous Income	2,314	4,904	-	7,218
Total Revenues and Other Support	756,982	2,044,063	1,354,004	4,155,049
Transfer Between Net Assets	(93,636)	68,087	25,549	-
Released from Restriction:				
Released for Management Fees	368,587	(368,587)	-	-
Purpose Restrictions Accomplished	1,784,610	(1,784,610)	-	-
Total Support and Reclassifications	2,816,543	(41,047)	1,379,553	4,155,049
<b>EXPENSES</b>				
Program Services	\$ 2,095,119	\$ -	\$ -	\$ 2,095,119
General and Management	185,712	-	-	185,712
Fundraising	373,447	-	-	373,447
Total Expenses	2,654,278	-	-	2,654,278
<b>CHANGE IN NET ASSETS</b>	162,265	(41,047)	1,379,553	1,500,771
<b>NET ASSETS, BEGINNING OF YEAR</b>	1,705,763	4,575,873	17,569,995	23,851,631
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 1,868,028</u>	<u>\$ 4,534,826</u>	<u>\$ 18,949,548</u>	<u>\$ 25,352,402</u>

The accompanying notes are an integral part of the financial statements.

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**PERU STATE COLLEGE FOUNDATION**  
(A COMPONENT UNIT OF THE NEBRASKA STATE COLLEGE SYSTEM)

**STATEMENT OF ACTIVITIES**

For the Year Ended December 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>			
Contributions	\$ 216,718	\$ 2,534,438	\$ 2,751,156
Special events	28,365	-	28,365
Net investment income	585,763	2,022,545	2,608,308
Miscellaneous income	8,302	1,875	10,177
Net assets released from restrictions	315,186	(315,186)	-
Total revenues and other support	1,154,334	4,243,672	5,398,006
<b>EXPENSES</b>			
Program services	517,860	-	517,860
Management & general	314,538	-	314,538
Fundraising	416,543	-	416,543
Total expenses	1,248,941	-	1,248,941
<b>CHANGE IN NET ASSETS</b>	(94,607)	4,243,672	4,149,065
<b>NET ASSETS, BEGINNING OF YEAR</b>	2,739,019	10,906,866	13,645,885
<b>NET ASSETS, END OF YEAR</b>	\$ 2,644,412	\$ 15,150,538	\$ 17,794,950

The accompanying notes are an integral part of the financial statements.

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**PERU STATE COLLEGE FOUNDATION**  
(A COMPONENT UNIT OF THE NEBRASKA STATE COLLEGE SYSTEM)

**STATEMENT OF ACTIVITIES**

For the Year Ended December 31, 2018 (Restated)

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>			
Contributions	\$ 473,834	\$ 1,087,819	\$ 1,561,653
Special events	11,693	1,196	12,889
Net investment income	85,322	(747,159)	(661,837)
Miscellaneous income	12,735	2,129	14,864
Net assets released from restrictions	474,647	(474,647)	-
Total revenues and other support	1,058,231	(130,662)	927,569
<b>EXPENSES</b>			
Program services	619,614	-	619,614
Management & general	301,829	-	301,829
Fundraising	436,654	-	436,654
Total expenses	1,358,098	-	1,358,098
CHANGE IN NET ASSETS	(299,867)	(130,662)	(430,529)
NET ASSETS, BEGINNING OF YEAR	4,767,767	9,308,647	14,076,414
PRIOR PERIOD ADJUSTMENT	(1,728,881)	1,728,881	-
NET ASSETS, BEGINNING OF YEAR, RESTATED	3,038,886	11,037,528	14,076,414
NET ASSETS, END OF YEAR	\$ 2,739,019	\$ 10,906,866	\$ 13,645,885

The accompanying notes are an integral part of the financial statements.

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**WAYNE STATE FOUNDATION**  
(A COMPONENT UNIT OF THE NEBRASKA STATE COLLEGE SYSTEM)  
**STATEMENT OF ACTIVITIES**  
Years Ended June 30,

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUE AND SUPPORT</b>						
Contributions	\$ 498,212	\$ 3,935,320	\$ 4,433,532	\$ 604,941	\$ 5,241,533	\$ 5,846,474
Interest and dividends	54,600	113,395	167,995	101,081	435,155	536,236
Net gain on investments	40,782	407,705	448,487	206,729	1,327,395	1,534,124
Other income	14,011	27,214	41,225	4,404	52,791	57,195
Net assets released from restrictions	2,228,620	(2,228,620)	-	4,831,077	(4,831,077)	-
Total revenue and support	2,836,225	2,255,014	5,091,239	5,748,232	2,225,797	7,974,029
<b>EXPENSES</b>						
Program services	2,684,416	-	2,684,416	5,053,831	-	5,053,831
Management and general	327,629	-	327,629	318,093	-	318,093
Fundraising	403,744	-	403,744	405,615	-	405,615
	3,415,789	-	3,415,789	5,777,539	-	5,777,539
Amortization on annuity contracts	11,017	71,102	82,119	10,930	72,138	83,068
Total expenses	3,426,806	71,102	3,497,908	5,788,469	72,138	5,860,607
Administrative support fee	200,737	(200,737)	-	341,505	(341,505)	-
Increase (decrease) in net assets	(389,844)	1,983,175	1,593,331	301,268	1,812,154	2,113,422
Net assets at beginning of year	3,775,649	28,261,939	32,037,588	3,474,381	26,449,785	29,924,166
Net assets at end of year	\$ 3,385,805	\$ 30,245,114	\$ 33,630,919	\$ 3,775,649	\$ 28,261,939	\$ 32,037,588

The accompanying notes are an integral part of the financial statements.

NEBRASKA STATE COLLEGE SYSTEM – PRIMARY GOVERNMENT  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)  
**STATEMENTS OF CASH FLOWS**  
Fiscal Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u> <u>As Restated</u>
<b>Cash Flows From Operating Activities</b>		
Tuition and Fees	\$ 32,339,847	\$ 30,866,902
Grants and Contracts	4,223,808	3,317,762
Payments to Suppliers	(37,153,219)	(37,846,236)
Payments to Employees	(72,965,899)	(71,051,724)
Collections of Loans to Students	190,363	171,952
Sales and Services of Auxiliary Enterprises	16,679,402	17,087,792
Other Payments	(5,569,635)	(2,842,902)
Net Cash Used in Operating Activities	<u>(62,255,333)</u>	<u>(60,296,454)</u>
<b>Cash Flows From Non-capital Financing Activities</b>		
State Appropriations	53,551,539	51,622,205
Grants and Contracts	16,616,202	12,507,412
Receipt of Flex Contributions	315,965	287,273
Payment of Flex Contributions	(280,623)	(292,980)
Direct Lending Receipts	31,837,010	30,708,707
Direct Lending Payments	(31,837,010)	(30,708,707)
Other Receipts (Payments)	94,255	31,847
Net Cash Provided by Non-capital Financing Activities	<u>70,297,338</u>	<u>64,155,757</u>
<b>Cash Flows From Capital and Related Financing Activities</b>		
Proceeds from Capital Debt	26,480,186	-
Capital Contributions	2,420,173	3,126,094
Purchase of Capital Assets	(5,675,085)	(17,126,320)
Disposal of Capital Assets	3,326	13,019
Principal Paid on Capital Debt	(5,430,000)	(5,371,562)
Interest Paid on Capital Debt	(2,258,586)	(2,420,578)
Bond Issuance Costs	(268,412)	-
Capital Facilities Fees	2,333,955	2,178,204
Other	(18,725)	(5,594)
Capital Appropriations	4,486,039	4,299,239
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>22,072,871</u>	<u>(15,307,498)</u>
<b>Cash Flows From Investing Activities</b>		
Purchase/Sale of Investments	1,350,000	(717,823)
Investment Income	1,406,235	1,615,501
Net Cash Provided by Investing Activities	<u>2,756,235</u>	<u>897,678</u>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	32,871,111	(10,550,517)
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>66,070,650</u>	<u>76,621,167</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 98,941,761</u>	<u>\$ 66,070,650</u>

(Continued)

Attachment: Nebraska State College System Audit Report FY20 and FY19 (2840 : Basic Financial Audit Report for Year Ended June 30, 2020)

NEBRASKA STATE COLLEGE SYSTEM – PRIMARY GOVERNMENT  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)  
**STATEMENTS OF CASH FLOWS**  
Fiscal Years Ended June 30, 2020 and 2019

	<b>2020</b>	<b>2019 As Restated</b>
<b>Reconciliation of Cash and Cash Equivalents to the Statement of Net Position</b>		
Cash and Cash Equivalents	\$ 38,505,340	\$ 35,505,109
Restricted Cash and Cash Equivalents - Current	29,673,745	26,807,234
Restricted Cash and Cash Equivalents - Non-current	30,762,676	3,758,307
 Total Cash and Cash Equivalents	 \$ 98,941,761	 \$ 66,070,650
 <b>Reconciliation of Net Operating Loss to Net Cash Used in Operating Activities</b>		
Operating Loss	\$ (73,922,422)	\$ (69,795,449)
Depreciation Expense	10,169,516	10,010,801
Changes in Operating Assets and Liabilities:		
Receivables, Net	39,699	20,621
Inventories	(27,135)	8,967
Accounts Payable and Accrued Liabilities	(225,297)	(47,349)
Accrued Compensated Absences	477,835	(35,133)
Other Assets and Liabilities	1,232,471	(458,912)
 <b>Net Cash Used in Operating Activities</b>	 \$ (62,255,333)	 \$ (60,296,454)
 <b>Supplemental Cash Flows Information</b>		
Accounts Payable Incurred for Capital Asset Purchases	\$ 1,096,177	\$ 490,365
		(Concluded)

The accompanying notes are an integral part of the financial statements.

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**CHADRON STATE FOUNDATION**  
(A COMPONENT UNIT OF THE NEBRASKA STATE COLLEGE SYSTEM)  
**STATEMENTS OF CASH FLOWS**  
For the Years Ended June 30, 2020 and 2019

	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ (1,698,334)	\$ 1,500,771
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities		
Depreciation	227	526
Change in Allowance for Doubtful Accounts	18,833	(8,214)
Non-Cash (Return) Loss on Investments	967,565	(216,430)
Donation of Estate Bequest	-	(851,896)
Increase in Cash Surrender Value of Life Insurance	-	(831)
Donation of Stock	(357,879)	-
Proceeds from Contributions Restricted for Investment in Named Endowments	(309,774)	(1,354,004)
Change In:		
Contributions Receivable	428,470	(92,119)
Prepaid Assets	(9,334)	5,375
Accounts Payable	(9,080)	12,329
Accrued Salaries and Benefits	21,773	(1,468)
Scholarships Payable	60,376	37,266
Proceeds from Refundable Advances	97,899	-
Net Cash Used by Operating Activities	(789,258)	(968,695)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from Life Insurance Policy	-	10,352
Proceeds from Estate Bequest	685,447	969,000
Purchases of Investments	(588,204)	(1,696,088)
Withdrawals from Investment Account	-	440,000
Purchases of Certificates of Deposit	(10,187)	(10,173)
Net Cash Provided (Used) by Investing Activities	87,056	(286,909)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Contributions Restricted for Investment in Named Endowments	309,774	1,354,004
Net Cash Provided by Financing Activities	309,774	1,354,004
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	(392,428)	98,400
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	1,574,989	1,476,589
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	\$ 1,182,561	\$ 1,574,989
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Estate Bequest Liquidated with Closely Held Stock	\$ 162,933	\$ -

The accompanying notes are an integral part of the financial statements.

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**PERU STATE COLLEGE FOUNDATION**  
(A COMPONENT UNIT OF THE NEBRASKA STATE COLLEGE SYSTEM)  
**STATEMENT OF CASH FLOWS**

For the Year Ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
<b>CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES</b>		
Change in net assets	\$ 4,149,065	\$ (430,529)
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	14,463	5,351
Unrealized (gain)/loss on investments	(2,162,575)	912,267
Realized (gain)/loss on investments	(29,290)	98,094
(Increase)/decrease in unconditional promises to give	98,752	(213,157)
Dividends/interest on investment	(461,682)	(426,140)
Investment fees	43,041	79,646
Change in interest receivable	262	379
Change pledges receivable	3,899	(3,899)
Change in accounts payable	(38,908)	(49,806)
Change in accrued compensation	(51,733)	-
Change in refundable deposits	(4,554)	(3,252)
<b>NET CASH FROM / (USED IN) OPERATING ACTIVITIES</b>	<u>1,560,740</u>	<u>(31,046)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from investment sales	250,000	-
Purchase of investments	(1,600,987)	-
Purchase of Equipment	(173,671)	-
Payments received on notes receivable	24,996	24,150
<b>NET CASH FROM / (USED IN) INVESTING ACTIVITIES</b>	<u>(1,499,662)</u>	<u>24,150</u>
<b>CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES</b>		
Principle payments on debt	(59,102)	(25,984)
<b>NET CASH FROM / (USED IN) FINANCING ACTIVITIES</b>	<u>(59,102)</u>	<u>(25,984)</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	1,976	(32,880)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>589,476</u>	<u>622,356</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u><u>\$ 591,452</u></u>	<u><u>\$ 589,476</u></u>

The accompanying notes are an integral part of the financial statements.

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**WAYNE STATE FOUNDATION**  
(A COMPONENT UNIT OF THE NEBRASKA STATE COLLEGE SYSTEM)  
**STATEMENTS OF CASH FLOWS**  
Years Ended June 30,

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities		
Increase in net assets	\$ 1,593,331	\$ 2,113,422
Adjustments to reconcile increase in net assets to net cash provided (used) by operating activities		
Depreciation	9,205	5,198
Amortization of annuity contracts	82,119	83,068
Realized and unrealized gains on investments	(448,487)	(1,534,124)
Non-cash contributions	(6,000)	(136,996)
Property gifted to college	276,956	-
(Increase) decrease in assets		
Accrued interest receivable	1,043	(118)
Unconditional promises to give	(509,880)	(715,266)
Prepaid expenses	6,673	(6,673)
Cash surrender value of life insurance	(3,261)	(3,793)
Increase (decrease) liabilities		
Accounts payable and accrued expenses	(9,430)	17,548
Payable for capital improvements	(24,586)	(642,489)
Unearned event revenue	(2,675)	3,100
Total adjustment to increase in net assets	<u>(628,323)</u>	<u>(2,930,545)</u>
Net cash provided (used) by operating activities	<u>965,008</u>	<u>(817,123)</u>
Cash flows from investing activities		
Proceeds from sale of investments	2,577,114	1,105,462
Purchases of investments	(2,282,493)	(1,253,051)
Purchases of property and equipment	<u>(276,956)</u>	<u>(195,601)</u>
Net cash provided (used) by investing activities	<u>17,665</u>	<u>(343,190)</u>
Cash flows from financing activities		
Proceeds from long-term obligations	117,556	-
Payments on annuities	<u>(97,437)</u>	<u>(98,297)</u>
Net cash provided (used) by investing activities	<u>20,119</u>	<u>(98,297)</u>
Net decrease in cash and cash equivalents	<u>1,002,792</u>	<u>(1,258,610)</u>
Cash and cash equivalents at beginning of year	<u>1,136,502</u>	<u>2,395,112</u>
Cash and cash equivalents at end of year	<u>\$ 2,139,294</u>	<u>\$ 1,136,502</u>

The accompanying notes are an integral part of the financial statements.

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**NOTES TO THE FINANCIAL STATEMENTS**

For the Fiscal Years Ended June 30, 2020 and 2019

**1. Summary of Significant Accounting Policies**

***Organization***

The Nebraska State College System (NSCS) is a governmental institution established under and governed by the laws of the State of Nebraska. The NSCS operates under the jurisdiction of the Board of Trustees of the Nebraska State Colleges. The NSCS includes Chadron State College (CSC), Peru State College (PSC), Wayne State College (WSC), the NSCS Office, and the Nebraska State Colleges Facilities Corporation (a blended component unit). The NSCS is a component unit of the State of Nebraska (State) because it is financially accountable to the State. The financial statements include all funds of the NSCS. The major accounting principles and practices followed by the NSCS and its separately reported foundation component units are presented below to assist the reader in evaluating the financial statements and accompanying notes.

***Reporting Entity***

The NSCS has considered all potential component units for which it is financially accountable and other organizations that are fiscally dependent on the NSCS, or the significance of their relationship with the NSCS is such that exclusion would be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the NSCS to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the NSCS. The NSCS is also considered financially accountable if an organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the NSCS regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board.

As required by Generally Accepted Accounting Principles (GAAP), these financial statements present the NSCS and its component units. The component units are included in the NSCS reporting entity because of the significance of their operational or financial relationships with the NSCS.

***Blended Component Unit***

The Nebraska State Colleges Facilities Corporation (Corporation) is a nonprofit corporation incorporated in 1983 to finance the repair or construction of buildings or the acquisition of equipment for use by the NSCS. This component unit is included in the NSCS's reporting entity because of the significance of its operational or financial relationships with the NSCS. This component unit is an entity that is legally separate from the NSCS, but is so intertwined with the NSCS that it is, in substance, the same as the NSCS. Debt of the Corporation is expected to be repaid entirely with resources from either the NSCS or the State. Management of the NSCS also has operational responsibility for the activities of the Corporation. The Corporation's balances and transactions are blended into the accompanying financial statements and reported in a manner similar to the balances and transactions of the NSCS itself. The separately issued audit report for the Corporation can be obtained by contacting the Nebraska State College System at 1327 H Street, Suite 200, Lincoln, Nebraska, 68508-3751.

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**1. Summary of Significant Accounting Policies** (Continued)

Condensed statements showing NSCS and Corporation balances and transactions are as follows for fiscal year ended June 30, 2020:

**Condensed Statement of Net Position**

	<u>NSCS</u>	<u>Corporation</u>	<u>2020 Total</u>
<b>Current Assets</b>	\$ 67,645,641	\$ 3,985,896	\$ 71,631,537
<b>Non-current Assets</b>			
Capital Assets, Net	234,415,245	-	234,415,245
Other Non-current Assets	5,971,567	26,228,998	32,200,565
Total Assets	308,032,453	30,214,894	338,247,347
<b>Deferred Outflow of Resources</b>	28,403	-	28,403
<b>Current Liabilities</b>	15,175,928	5,796,884	20,972,812
<b>Non-current Liabilities</b>	41,306,685	50,047,998	91,354,683
Total Liabilities	56,482,613	55,844,882	112,327,495
<b>Deferred Inflow of Resources</b>	-	471	471
<b>Net Position</b>			
Net Investment in Capital Assets	199,100,052	(29,077,027)	170,023,025
Restricted	23,703,579	3,446,568	27,150,147
Unrestricted	28,774,612	-	28,774,612
Total Net Position	\$ 251,578,243	\$ (25,630,459)	\$ 225,947,784

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

1. **Summary of Significant Accounting Policies** (Continued)

**Condensed Statement of Revenues, Expenses, and Changes in Net Position**

	NSCS	Corporation	2020 Total
<b>Operating Revenues</b>			
Tuition and Fees, Net	\$ 32,847,286	\$ -	\$ 32,847,286
Federal and State Grants and Contracts	3,697,030	-	3,697,030
Private Grants and Contracts	543,774	-	543,774
Auxiliary Enterprises, Net	17,104,213	-	17,104,213
Other Operating Revenues	2,017,823	-	2,017,823
Total Operating Revenues	56,210,126	-	56,210,126
<b>Operating Expenses</b>			
Depreciation	10,169,516	-	10,169,516
Other Operating Expenses	119,963,032	-	119,963,032
Total Operating Expenses	130,132,548	-	130,132,548
<b>Operating Loss</b>	(73,922,422)	-	(73,922,422)
<b>Non-operating Revenues (Expenses)</b>			
State Appropriations	53,551,539	-	53,551,539
Federal and State Grants and Contracts	16,740,773	-	16,740,773
Investment Income	1,350,316	51,124	1,401,440
Interest on Capital Asset-Related Debt	(1,126,760)	(618,793)	(1,745,553)
Gain (Loss) on Disposal of Asset	(267)	-	(267)
Bond Issuance Cost	-	(280,912)	(280,912)
Other Non-operating Revenues (Expenses)	47,181	(18,750)	28,431
Net Non-operating Revenues (Expenses)	70,562,782	(867,331)	69,695,451
<b>Loss Before Other Revenues, Expenses, Or Gains (Losses)</b>	(3,359,640)	(867,331)	(4,226,971)
<b>Other Revenues (Expenses) or Gains (Losses)</b>			
Capital Facilities Fee	2,348,430	-	2,348,430
Capital Contributions	2,420,174	-	2,420,174
Operating Transfers In (Out)	(2,608,981)	2,608,981	-
Capital Appropriations and Grants	3,361,039	1,125,000	4,486,039
Net Other Revenues (Expenses) Or Gains (Losses)	5,520,662	3,733,981	9,254,643
<b>Increase (Decrease) in Net Position</b>	2,161,022	2,866,650	5,027,672
<b>Net Position, Beginning of Year</b>	249,417,221	(28,497,109)	220,920,112
<b>Net Position, End of Year</b>	\$ 251,578,243	\$ (25,630,459)	\$ 225,947,784

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

1. **Summary of Significant Accounting Policies** (Continued)

**Condensed Statement of Cash Flows**

	<u>NSCS</u>	<u>Corporation</u>	<u>2020 Total</u>
Cash Flows from Operating Activities	\$ (62,255,333)	\$ -	\$ (62,255,333)
Cash Flows from Non-capital Financing Activities	70,297,338	-	70,297,338
Cash Flows from Capital and Related Financing Activities	(3,684,044)	25,756,915	22,072,871
Cash Flows from Investing Activities	<u>1,360,681</u>	<u>1,395,554</u>	<u>2,756,235</u>
Increase (Decrease) in Cash and Cash Equivalents	5,718,642	27,152,469	32,871,111
Cash and Cash Equivalents, Beginning of Year	<u>63,088,000</u>	<u>2,982,650</u>	<u>66,070,650</u>
Cash and Cash Equivalents, End of Year	<u>\$ 68,806,642</u>	<u>\$ 30,135,119</u>	<u>\$ 98,941,761</u>

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**1. Summary of Significant Accounting Policies** (Continued)

Condensed statements showing NSCS and Corporation balances and transactions are as follows for fiscal year ended June 30, 2019:

**Condensed Statement of Net Position**

	<b>NSCS</b>		<b>2019 Total</b>
	<b>As Restated</b>	<b>Corporation</b>	<b>As Restated</b>
<b>Current Assets</b>	\$ 62,827,070	\$ 2,497,660	\$ 65,324,730
<b>Non-current Assets</b>			
Capital Assets, Net	238,272,063	-	238,272,063
Other Non-current Assets	4,654,242	1,920,026	6,574,268
<b>Total Assets</b>	<b>305,753,375</b>	<b>4,417,686</b>	<b>310,171,061</b>
<b>Deferred Outflow of Resources</b>	32,180	-	32,180
<b>Current Liabilities</b>	13,164,214	4,003,713	17,167,927
<b>Non-current Liabilities</b>	43,204,120	28,899,317	72,103,437
<b>Total Liabilities</b>	<b>56,368,334</b>	<b>32,903,030</b>	<b>89,271,364</b>
<b>Deferred Inflow of Resources</b>	-	11,765	11,765
<b>Net Position</b>			
Net Investment in Capital Assets	201,116,413	(30,479,189)	170,637,224
Restricted	22,023,285	1,982,080	24,005,365
Unrestricted	26,277,523	-	26,277,523
<b>Total Net Position</b>	<b>\$ 249,417,221</b>	<b>\$ (28,497,109)</b>	<b>\$ 220,920,112</b>

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

1. **Summary of Significant Accounting Policies** (Continued)

**Condensed Statement of Revenues, Expenses, and Changes in Net Position**

	NSCS As Restated	Corporation	2019 Total As Restated
<b>Operating Revenues</b>			
Tuition and Fees, Net	\$ 30,853,287	\$ -	\$ 30,853,287
Federal and State Grants and Contracts	2,656,881	-	2,656,881
Private Grants and Contracts	667,713	-	667,713
Auxiliary Enterprises, Net	17,703,801	-	17,703,801
Other Operating Revenues	1,918,866	-	1,918,866
Total Operating Revenues	53,800,548	-	53,800,548
<b>Operating Expenses</b>			
Depreciation	10,010,801	-	10,010,801
Other Operating Expenses	113,585,196	-	113,585,196
Total Operating Expenses	123,595,997	-	123,595,997
<b>Operating Loss</b>	(69,795,449)	-	(69,795,449)
<b>Non-operating Revenues (Expenses)</b>			
State Appropriations	51,622,205	-	51,622,205
Federal and State Grants and Contracts	12,507,412	-	12,507,412
Investment Income	1,531,246	123,374	1,654,620
Interest on Capital Asset-Related Debt	(1,160,854)	(716,887)	(1,877,741)
Gain (Loss) on Disposal of Asset	11,105	-	11,105
Other Non-operating Revenues (Expenses)	61,524	(16,400)	45,124
Net Non-operating Revenues (Expenses)	64,572,638	(609,913)	63,962,725
<b>Loss Before Other Revenues, Expenses, Or Gains (Losses)</b>	(5,222,811)	(609,913)	(5,832,724)
<b>Other Revenues (Expenses) or Gains (Losses)</b>			
Capital Facilities Fee	2,157,814	-	2,157,814
Capital Contributions	2,471,221	-	2,471,221
Operating Transfers In (Out)	(370,096)	370,096	-
Capital Appropriations and Grants	3,174,239	1,125,000	4,299,239
Net Other Revenues (Expenses) Or Gains (Losses)	7,433,178	1,495,096	8,928,274
<b>Increase (Decrease) in Net Position</b>	2,210,367	885,183	3,095,550
<b>Net Position, Beginning of Year</b>	247,206,854	(29,382,292)	217,824,562
<b>Net Position, End of Year</b>	\$ 249,417,221	\$ (28,497,109)	\$ 220,920,112

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

1. **Summary of Significant Accounting Policies** (Continued)

**Condensed Statement of Cash Flows**

	NSCS As Restated	Corporation	2019 Total As Restated
Cash Flows from Operating Activities	\$ (60,296,454)	\$ -	\$ (60,296,454)
Cash Flows from Non-capital Financing Activities	64,155,757	-	64,155,757
Cash Flows from Capital and Related Financing Activities	(9,309,636)	(5,997,862)	(15,307,498)
Cash Flows from Investing Activities	2,113,951	(1,216,273)	897,678
Increase (Decrease) in Cash and Cash Equivalents	(3,336,382)	(7,214,135)	(10,550,517)
Cash and Cash Equivalents, Beginning of Year	66,424,382	10,196,785	76,621,167
Cash and Cash Equivalents, End of Year	\$ 63,088,000	\$ 2,982,650	\$ 66,070,650

***Discretely Presented Component Units***

In implementing GASB Statement No. 39, the NSCS determined Chadron State, Peru State College, and Wayne State Foundations (Foundations) are legally separate, tax-exempt nonprofit foundations incorporated in the State of Nebraska. The Foundations act primarily as fund-raising organizations to supplement the resources available to each Foundation's respective College in support of its programs. Although the Colleges do not control the timing or amount of receipts from the Foundations, the majority of resources or income the Foundations hold and invest is restricted to the activities of each Foundation's respective College by its donors. Because these restricted resources held by the Foundations can only be used by, or for the benefit of, their respective Colleges, the Foundations are considered component units of the NSCS and are discretely presented on separate pages in this report.

The Foundations report under Financial Accounting Standards Board (FASB) standards, including FASB Accounting Standards Codification (ASC) 958-205, *Presentation of Financial Statements of Not-for-Profit Entities*. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition and presentation features. No modifications have been made to the Foundations' audited financial information as it is presented (see Note 14).

During the years ended June 30, 2020 and 2019, Chadron State, Peru State, and Wayne State College Foundations distributed \$2,180,048, \$469,738, and \$2,205,765; and \$1,698,158, \$488,277, and \$4,798,655, respectively, to their Colleges for both restricted and unrestricted purposes. These distributions included scholarships to students. Separate audit reports were issued by each foundation and can be obtained from their respective administrative offices or by contacting the Nebraska State College System at 1327 H Street, Suite 200, Lincoln, Nebraska 68508-3751.

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**1. Summary of Significant Accounting Policies** (Continued)

***Basis of Accounting and Presentation***

The NSCS statements have been prepared in accordance with accounting principles generally accepted in the United States of America, as prescribed by GASB. GASB issued Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, as amended by GASB Statement No. 35, *Basic Financial Statements – and Management’s Discussion and Analysis – for Public Colleges and Universities*. The NSCS follows the “business-type” activities reporting format of GASB Statement No. 34. This reporting format requires the following elements:

- Management’s Discussion and Analysis
- Basic Financial Statements:
  - Statement of Net Position
  - Statement of Revenues, Expenses, and Changes in Net Position
  - Statement of Cash Flows
- Notes to Financial Statements

The financial statements of the NSCS have been prepared on the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange transaction takes place. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from non-exchange activities are recognized when all applicable eligibility requirements are met. Internal activity and balances are eliminated in preparation of the financial statements unless they relate to services provided and used internally. Operating revenues and expenses include exchange transactions and program-specific, government-mandated non-exchange transactions. Government-mandated non-exchange transactions that are not program-specific (such as State appropriations), investment income, and interest on capital asset-related debt are included in non-operating revenues and expenses. The NSCS first applies restricted net position when an expense or outlay is incurred for purposes for which both restricted and unrestricted net position are available.

*Unrestricted Net Position* – Net position not subject to stipulation, including designated departmental balances, encumbrances, and working capital funds.

*Restricted Net Position* – Net position restricted by creditors, grantors, or contributors and includes grant and research funds, student loan programs, funds for plant construction, and debt service on bond obligations.

***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets, liabilities, and deferred inflows and outflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues, expenses, and other changes in net position during the reporting period. Actual results could differ from those estimates.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**1. Summary of Significant Accounting Policies** (Continued)

***Reclassifications***

The non-current portion of restricted cash and cash equivalents, along with the net position of the NSCS, include reclassifications for the Corporation's current restricted cash and cash equivalents of \$26,161,141 and unrestricted net position deficit of \$29,077,027 in 2020. Reclassifications for 2019 included the Corporation's current restricted cash and cash equivalents of \$495,339 and unrestricted net position deficit of \$30,479,189. Although the Corporation issues debt to finance construction and renovation projects, the assets that are constructed and/or renovated using Corporation debt are owned by the NSCS. In order to properly present the NSCS's non-current restricted cash and cash equivalents and net investment in capital assets, a portion of the current restricted cash and cash equivalents and the unrestricted net position of the Corporation is reclassified when blended with the NSCS.

The fiscal year 2019 financial statements have been restated. The NSCS capitalized a final construction payment totaling \$288,281 that was previously recorded as an operating expense. Also, a correction to the Agency fund at Wayne State College was made, resulting in a change in the 2019 net position of \$94,021. The Refundable Government Grants amount of \$1,509,621 for the Perkins loan fund was reclassified in the 2019 financial statements as a non-current liability.

Certain other reclassifications have been made to the 2019 financial statements to conform to the 2020 financial presentation. These reclassifications had no effect on change in net position.

***Cash and Cash Equivalents***

The NSCS cash and cash equivalents are stated at cost. Cash and cash equivalents held by the Nebraska State Treasurer are deposited on a pooled basis in a State fund. Income earned by the pool is allocated to the NSCS based upon average daily balances. From time to time, the Nebraska State Investment Officer, as allowed by statute, participates in securities lending transactions, which makes use of amounts on deposit from the NSCS. Securities lending transactions cannot be specifically identified to amounts on deposit from the NSCS and, as such, are not included in the financial statements for the year ended June 30, 2020 and 2019.

The NSCS considers all liquid investments with original maturities of three months or less to be cash equivalents. At June 30, 2020 and 2019, cash equivalents consisted primarily of money market accounts with brokers.

Restricted cash and cash equivalents consist mainly of funds held by the trustee, which are restricted by bond covenants. Remaining restricted cash and cash equivalents are either restricted by outside sources or legislatively restricted for certain purposes.

***Income Tax Status***

As a State institution, the income of the NSCS is generally exempt from Federal and State income taxes under Section 115(a) of the Internal Revenue Code and provisions of State law. However, the NSCS is subject to Federal income tax on any unrelated business taxable income.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**1. Summary of Significant Accounting Policies** (Continued)

***Investments and Investment Income***

NSCS investments, including those held by a trustee and restricted by bond covenants, are carried at fair value. Fair value is determined using quoted market prices.

Investment income consists of interest income and the net change for the year in the fair value of investments carried at fair value.

***Accounts Receivable***

The NSCS's accounts receivable consist mainly of tuition and fee charges to students and charges for auxiliary enterprise services provided to students, faculty, and staff. Accounts receivable are recorded net of estimated uncollectible amounts. The allowance for uncollectible amounts was \$849,347 and \$911,071 at June 30, 2020 and 2019, respectively, and is identified by College as follows:

	2020	2019
CSC	\$ 248,894	\$ 229,734
PSC	372,249	491,765
WSC	214,107	169,152
NSCS Office	14,097	20,420

***Unamortized Bond Premiums and Discounts***

The NSCS's bond premiums and discounts on the revenue bond and Corporation bond issues are being amortized over the life of the bonds using the straight-line method. Total amortization for the year ended June 30, 2020 and 2019, was \$540,406 and \$515,418 for premiums and \$12,154 for discounts, respectively, and it is identified by College as follows:

	2020		2019	
	Premiums	Discounts	Premiums	Discounts
CSC	\$ 2,787	\$ 4,767	\$ 2,787	\$ 4,768
PSC	-	4,941	-	4,940
WSC	6,114	2,446	6,114	2,446
NSCS Office	531,505	-	506,517	-
<b>Total</b>	\$ 540,406	\$ 12,154	\$ 515,418	\$ 12,154

***Inventories***

The NSCS's inventories, consisting mainly of expendable supplies, are stated at cost. Cost is determined using the first-in, first-out (FIFO) method.

***Loans to Students***

The NSCS made loans to students under the Federal Perkins Loan Program; also, small temporary loans are provided to students from the Foundations. Such loan receivables are recorded net of estimated uncollectible amounts. The allowance for uncollectible loans was \$118,209 and \$137,208 at June 30, 2020 and 2019, respectively, at Wayne State College.

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**1. Summary of Significant Accounting Policies** (Continued)

***Capital Assets***

The NSCS's capital assets are recorded at cost as of the date of acquisition, or acquisition value at the date of donation if acquired by gift. The NSCS follows the capitalization policy set forth by the Board. Generally, equipment that has a cost in excess of \$5,000 at the date of acquisition and has an expected useful life of two or more years is capitalized. Also, all land, buildings, infrastructure, and construction in progress are capitalized if they are expected to meet the NSCS's capitalization threshold as dictated by the capitalization policy. Prior to fiscal year 2018, interest cost incurred during the construction phase of capital assets was included as part of the capitalized value of the assets constructed. For 2018, NSCS adopted GASB 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, which requires such costs to be expensed in the period incurred. GASB 89 provisions have been applied prospectively in accordance with the transition provisions of the pronouncement. Accordingly, adoption of GASB 89 had no effect on beginning net position at July 1, 2016, or change in net position for the year ended June 30, 2017. Art objects, specimens, artifacts and collections, including library materials, are expensed so long as the items meet three conditions in accordance with GASB Statement No. 34. Depreciation/amortization is computed using the straight-line method over the estimated useful life of each asset beginning with the month of purchase. The following estimated useful lives are being used by the NSCS:

Buildings and improvements	25 – 50 years
Infrastructure	10 – 30 years
Furniture, fixtures, and equipment	3 – 10 years

***Deferred Outflows of Resources and Deferred Inflows of Resources***

A deferred outflow of resources is a consumption of net position by the NSCS that is applicable to a future reporting period, and a deferred inflow of resources is an acquisition of net position by the NSCS that is applicable to a future reporting period. Both deferred inflows and outflows are reported in the Statements of Net Position but are not recognized in the financial statements as revenues and expenses until the period(s) to which they relate. Deferred inflows and outflows of resources of the NSCS consist of unamortized bond refunding amounts.

***Compensated Absences***

The NSCS's policies permit most employees to accumulate vacation benefits. Staff earn 12 to 25 days of vacation each year and may accrue vacation up to the maximums established in Board policy and/or in the respective bargaining agreements. An employee's accrued vacation is paid out to the employee upon termination. Expense and the related liability are recognized as vacation benefits when earned, whether the employee is expected to realize the benefit as time off or cash. In addition, professional and support staff receive a cash payment of one-fourth of accrued sick leave upon retirement from the NSCS. Expense and the related liability for sick leave benefits are recognized when earned to the extent the employee is expected to realize the benefit in cash determined using the termination payment method. Sick leave benefits expected to be realized as paid time off are recognized as an expense when the time off occurs.

***Unearned Revenue***

Unearned revenue represents unearned student tuition and fees, advances on grants and contract awards for which the NSCS has not met all of the applicable eligibility requirements, which totaled \$689,948 and \$731,471 at fiscal year end 2020 and 2019, respectively, and longevity bonus revenues and investment (improvement) revenues from food service and/or vending contractors, which are being amortized over the life of the contracts, totaling \$1,572,000 at fiscal year end 2020.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**1. Summary of Significant Accounting Policies** (Concluded)

*Classification of Revenues*

The NSCS has classified its revenues as either operating or non-operating revenues according to the following criteria.

*Operating revenues* – Operating revenues include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship allowances, (2) sales and services of auxiliary enterprises, and (3) interest on student loans.

*Non-operating revenues* – Non-operating revenues include activities that have the characteristics of non-exchange transactions, such as gifts and contributions, and other revenue sources that are defined as non-operating revenues by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, and GASB Statement No. 34, such as State appropriations, Pell grants, and investment income.

*Scholarship Discounts and Allowances*

Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship allowances and institutional waiver allowances in the Statements of Revenues, Expenses, and Changes in Net Position. Such allowances are the difference between the stated charge for goods and services provided by the NSCS and the amount that is paid by students and/or third parties making payments on the students' behalf.

Certain governmental grants, such as Pell grants, and other similar Federal and State grants, are recorded as non-operating revenues in the NSCS's financial statements. To the extent revenues from such programs are used to satisfy tuition and fees and other student charges, the NSCS has recorded a scholarship allowance.

The NSCS has elected to adopt, for calculation of scholarship allowances, an allocation methodology provided in the National Association of College and University Business Officers (NACUBO) industry guidance (student institutional waivers, which are also netted similar to scholarship allowances, continue to be based on actual contra-account financial activity). The scholarship allowances and institutional waivers on tuition and fees and auxiliary enterprises for the year ended June 30, 2020 and 2019, as calculated under the NACUBO method, were \$14,347,566 and \$4,684,340; and \$13,096,775 and \$5,093,949, respectively, and are identified by College as follows:

	2020		2019	
	Tuition and Fees	Auxiliary Enterprises	Tuition and Fees	Auxiliary Enterprises
CSC	\$ 4,385,520	\$ 1,366,402	\$ 4,103,653	\$ 1,560,217
PSC	3,518,066	1,167,194	3,337,578	1,213,035
WSC	6,443,980	2,150,744	5,655,544	2,320,697

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**2. Deposits, Investments, and Investment Return**

*Deposits*

Per Board policy and State statute, all money received by the NSCS must be paid over to the State Treasurer, except that each College may retain in its possession a sum to make settlement and equitable adjustments with students so entitled, to make payments for day-to-day operations calling for immediate payment, and to provide for contingencies. All funds not paid over to the State Treasurer must be maintained in an interest-bearing account, such as a money market fund account. The NSCS has no policy regarding custodial credit risk for deposits.

All of the NSCS's deposits are either insured or collateralized. By State statute, the State Treasurer is required to ensure that all State funds are either insured by Federal Deposit Insurance Corporation (FDIC), collateralized by securities held by the cognizant Federal Reserve Bank, or invested in U.S. government obligations. The NSCS's deposits with the State Treasurer are pooled with the funds of other State agencies and then, in accordance with statutory limitations, deposited in banks or invested as the State Treasurer may determine. Interest on funds held by the State Treasurer is periodically disbursed to the participating agencies. These funds are considered to be cash and cash equivalents, which are available for expenditures as needed.

At June 30, 2020 and 2019, cash and cash equivalents of \$59,410,094 and \$54,394,409, respectively, on the Statements of Net Position represents the NSCS's equity position in the State Treasurer's Short-Term Investment Pool (STIP). Additional information on the deposit and investment risk associated with the State Treasurer's Investment Pool is included in the State of Nebraska's Comprehensive Annual Financial Report (CAFR). A copy of this report may be obtained on the Nebraska Department of Administrative Services' (DAS) website at [das.nebraska.gov](http://das.nebraska.gov). Information may also be obtained by writing to DAS, 1526 K Street, Suite 240, Lincoln, NE 68508, or by calling 402-471-6500.

Cash on hand at June 30, 2020 and 2019, was \$6,792. The carrying amounts of the NSCS's deposits not with the State Treasurer at June 30, 2020 and 2019, were \$2,022,085 and \$2,038,707, respectively, and the bank balances were \$2,030,657 and \$2,042,203, respectively. Of the carrying amounts noted above, \$121,092 and \$121,102, respectively, were covered by FDIC or collateral held in the NSCS's name. The remaining carrying amounts were covered by collateral held in the trustee's name.

*Investments*

Management of the assets of the Corporation, the revenue bond program, and the Flex Spending program is delegated to the trustees appointed by the Corporation Board of Directors or the NSCS Board of Trustees. All investments are held by the trustees and invested in accordance with the bond resolutions and Flex Spending custodial agreements. The bond resolutions and Flex custodial agreements allow investment of bond proceeds and employee flexible spending accounts in various securities and obligations, including: U.S. government and U.S. agency obligations; bonds, notes or other obligations of the State or any political subdivision thereof; bank repurchase agreements; certificates of deposit or other securities or investments within the State investing guidelines.

The NSCS's investments consisted of money market mutual funds and debt securities. At June 30, 2020 and 2019, money market mutual funds totaling \$37,502,790 and \$9,630,742, respectively, were held by the trustees, and had weighted average maturities of 17-43 days and 18-44 days, respectively. All money market mutual funds were reported as cash equivalents.

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**2. Deposits, Investments, and Investment Return** (Continued)

At June 30, 2020, the NSCS had the following securities and maturities:

	Fair Value	Maturities in Years		
		Less than 1	1-5	6-10
Investment type:				
Negotiable CD	\$ 762,532	\$ 247,843	\$ 514,689	\$ -
Total	\$ 762,532	\$ 247,843	\$ 514,689	\$ -

At June 30, 2019, the NSCS had the following securities and maturities:

	Fair Value	Maturities in Years		
		Less than 1	1-5	6-10
Investment type:				
U.S. Agency bonds	\$ 1,338,808	\$ -	\$ 1,338,808	\$ -
Negotiable CD	738,017	-	738,017	-
Total	\$ 2,076,825	\$ -	\$ 2,076,825	\$ -

All U.S. Agency bonds are classified in Level 1 of the fair value hierarchy and are valued using prices quoted in active markets for those securities. Negotiable certificates of deposit were classified in Level 2 of the fair value hierarchy description of valuation technique and are valued using quoted prices for markets that are not active.

*Interest Rate Risk.* The NSCS does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Credit Risk.* The NSCS may legally invest in direct obligations of and other obligations guaranteed as to principal by the U.S. Treasury and U.S. agencies and instrumentalities and in bank repurchase agreements. The money market mutual funds are rated Aaa-mf by Moody's and AAAM by S&P, and the U.S. Agency bonds are rated Aaa by Moody's and AA+ by S&P. The investments in negotiable certificate of deposits are unrated.

*Concentration of Credit Risk.* The NSCS places no limit on the amount that may be invested in any one issuer. Of the NSCS's investments, at June 30, 2020, 97% were in U.S. Treasury Money Market Funds, 1% were in Government Money Market Funds, and 2% were in negotiable certificate of deposits compared to 81% in U.S. Treasury Money Market Funds, 1% in Government Money Market Funds, 12% were in U.S. Agency Bonds, and 6% in negotiable certificate of deposits at June 30, 2019.

*Custodial Risk.* For an investment, custodial risk is the risk that, in the event of failure of the counterparty, the NSCS will be able to recover the value of its investments that are in the possession of an outside party. The NSCS does not have a formal policy for custodial credit risk. All securities are held by the investment's counterparty, not in the name of the NSCS.

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**2. Deposits, Investments, and Investment Return** (Concluded)

*Summary of Carrying Values*

The carrying values of deposits and investments shown above are included in the Statements of Net Position, as follows:

	<b>2020</b>	<b>2019</b>
Carrying Value		
Cash	\$ 6,792	\$ 6,792
Deposits:		
Bank Deposits	2,022,085	2,038,707
Short Term Investment Pool	59,410,094	54,394,409
Trustee Money Market Mutual Funds	37,502,790	9,630,742
Negotiable Certificates of Deposit	762,532	738,017
U.S. Agency Bonds	-	1,338,808
Total as of June 30	\$ 99,704,293	\$ 68,147,475
Included in the Statements of Net Position		
Cash and Cash Equivalents	\$ 38,505,340	\$ 35,407,120
Restricted Cash and Cash Equivalents	60,436,421	30,663,530
Restricted Investments	762,532	2,076,825
Total	\$ 99,704,293	\$ 68,147,475

**3. Capital Assets**

The NSCS capital assets activity for the year ended June 30, 2020, was:

*Capital Assets*

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Disposals</b>	<b>Transfers</b>	<b>Ending Balance</b>
Land	\$ 1,124,633	\$ 31,985	\$ -	\$ -	\$ 1,156,618
Building and Improvements	305,308,550	598,612	-	596,426	306,503,588
Infrastructure	37,070,746	75,900	-	75,566	37,222,212
Furniture, Fixtures, and Equipment	20,110,856	909,828	(395,808)	-	20,624,876
Construction in Progress	1,727,564	4,702,990	-	(671,992)	5,758,562
Total Capital Assets	\$ 365,342,349	\$ 6,319,315	\$ (395,808)	\$ -	\$ 371,265,856

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**3. Capital Assets** (Continued)

*Accumulated Depreciation*

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers</u>	<u>Ending Balance</u>
Building and Improvements	\$ (92,041,898)	\$ (7,225,655)	\$ -	\$ -	\$ (99,267,553)
Infrastructure	(19,353,660)	(1,479,866)	-	-	(20,833,526)
Furniture, Fixtures, and Equipment	(15,674,728)	(1,463,995)	389,191	-	(16,749,532)
Total Accumulated Depreciation	(127,070,286)	(10,169,516)	389,191	-	(136,850,611)
Net Capital Assets	<u>\$ 238,272,063</u>	<u>\$ (3,850,201)</u>	<u>\$ (6,617)</u>	<u>\$ -</u>	<u>\$ 234,415,245</u>

*Net Capital Assets by College*

	<u>CSC</u>	<u>PSC</u>	<u>WSC</u>	<u>NSCS Office</u>	<u>Total</u>
Land	\$ 49,395	\$ 17,761	\$ 1,089,462	\$ -	\$ 1,156,618
Building and Improvements	53,195,507	54,484,034	99,556,494	-	207,236,035
Infrastructure	3,342,227	4,117,560	8,928,899	-	16,388,686
Furniture, Fixtures, and Equipment	1,303,890	520,443	1,944,295	106,716	3,875,344
Construction in Progress	3,289,103	-	2,469,459	-	5,758,562
Net Capital Assets	<u>\$ 61,180,122</u>	<u>\$ 59,139,798</u>	<u>\$ 113,988,609</u>	<u>\$ 106,716</u>	<u>\$ 234,415,245</u>

The NSCS capital assets activity for the year ended June 30, 2019, was:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers</u>	<u>Ending Balance</u>
Land	\$ 1,124,633	\$ -	\$ -	\$ -	\$ 1,124,633
Building and Improvements	271,528,174	4,832,291	-	28,948,085	305,308,550
Infrastructure	36,971,424	31,322	-	68,000	37,070,746
Furniture, Fixtures, and Equipment	18,423,915	1,862,778	(198,057)	22,220	20,110,856
Construction in Progress	24,048,618	6,717,251	-	(29,038,305)	1,727,564
Total Capital Assets	<u>\$ 352,096,764</u>	<u>\$ 13,443,642</u>	<u>\$ (198,057)</u>	<u>\$ -</u>	<u>\$ 365,342,349</u>

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**3. Capital Assets** (Concluded)

*Accumulated Depreciation*

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers</u>	<u>Ending Balance</u>
Building and Improvements	\$ (85,028,111)	\$ (7,013,787)	\$ -	\$ -	\$ (92,041,898)
Infrastructure	(17,840,698)	(1,512,962)	-	-	(19,353,660)
Furniture, Fixtures, and Equipment	(14,386,339)	(1,484,052)	195,663	-	(15,674,728)
Total Accumulated Depreciation	(117,255,148)	(10,010,801)	195,663	-	(127,070,286)
Net Capital Assets	<u>\$ 234,841,616</u>	<u>\$ 3,432,841</u>	<u>\$ (2,394)</u>	<u>\$ -</u>	<u>\$ 238,272,063</u>

*Net Capital Assets by College*

	<u>CSC</u>	<u>PSC</u>	<u>WSC</u>	<u>NSCS Office</u>	<u>Total</u>
Land	\$ 49,395	\$ 17,761	\$ 1,057,477	\$ -	\$ 1,124,633
Building and Improvements	54,931,101	55,429,368	102,906,183	-	213,266,652
Infrastructure	3,602,576	4,481,479	9,633,031	-	17,717,086
Furniture, Fixtures, and Equipment	1,195,226	631,243	1,862,649	747,010	4,436,128
Construction in Progress	615,596	596,426	515,542	-	1,727,564
Net Capital Assets	<u>\$ 60,393,894</u>	<u>\$ 61,156,277</u>	<u>\$ 115,974,882</u>	<u>\$ 747,010</u>	<u>\$ 238,272,063</u>

**4. Accounts Payable and Accrued Liabilities**

The NSCS accounts payable and accrued liabilities are presented in aggregate in the financial statements at June 30, and consist of the following:

	2020			
	<u>Payroll and Withholdings</u>	<u>Payables to Vendors</u>	<u>Payable to Other Government</u>	<u>Total Payables</u>
CSC	\$ 1,366,242	\$ 795,193	\$ 78,986	\$ 2,240,421
PSC	761,813	687,895	88,715	1,538,423
WSC	2,034,104	1,456,681	258,910	3,749,695
NSCS Office	-	1,911,188	149,943	2,061,131
<b>Total</b>	<u>\$ 4,162,159</u>	<u>\$ 4,850,957</u>	<u>\$ 576,554</u>	<u>\$ 9,589,670</u>

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**4. Accounts Payable and Accrued Liabilities** (Concluded)

	2019			
	Payroll and Withholdings	Payables to Vendors	Payable to Other Government	Total Payables
CSC	\$ 1,422,481	\$ 832,832	\$ 142,368	\$ 2,397,681
PSC	721,882	563,093	113,748	1,398,723
WSC	1,906,809	1,357,127	349,476	3,613,412
NSCS Office	-	1,589,613	173,623	1,763,236
<b>Total</b>	<b>\$ 4,051,172</b>	<b>\$ 4,342,665</b>	<b>\$ 779,215</b>	<b>\$ 9,173,052</b>

**5. Long-term Liabilities**

The following is a summary of long-term obligation transactions for the NSCS for the year ended June 30, 2020:

	Beginning Balance	Additions	Deductions	Ending Balance	Current Portion
Master Lease Payable	\$ 102,475	\$ 447,909	\$ (181,141)	\$ 369,243	\$ 87,546
Revenue and Refunding					
Bonds	40,350,000	-	(2,105,000)	38,245,000	2,115,000
Corporation Bonds	29,510,000	23,465,000	(3,325,000)	49,650,000	4,800,000
Total Long-term Debt	69,962,475	23,912,909	(5,611,141)	88,264,243	7,002,546
Accrued Compensated					
Absences	3,891,286	880,169	(402,334)	4,369,121	647,658
Unamortized Bond					
Premium	2,904,486	3,015,186	(540,406)	5,379,266	-
Unamortized Bond Discount	(198,897)	-	12,154	(186,743)	-
Refundable Government					
Grants	1,509,621	-	(204,336)	1,305,285	1,305,285
Unearned Revenue	-	1,965,000	(393,000)	1,572,000	393,000
Total Other Long-term	8,106,496	5,860,355	(1,527,922)	12,438,929	2,345,943
Liabilities					
Total Long-term Liabilities	<b>\$ 78,068,971</b>	<b>\$ 29,773,264</b>	<b>\$ (7,139,063)</b>	<b>\$ 100,703,172</b>	<b>\$ 9,348,489</b>

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**5. Long-term Liabilities** (Continued)

The following is a summary of long-term obligation transactions for the NSCS for the year ended June 30, 2019:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deductions</b>	<b>Ending Balance</b>	<b>Current Portion</b>
Loan Obligations Payable	\$ 24,996	\$ -	\$ (24,996)	\$ -	\$ -
Master Lease Payable	318,255	-	(215,780)	102,475	102,475
Revenue and Refunding					
Bonds	42,410,000	-	(2,060,000)	40,350,000	2,105,000
Corporation Bonds	32,725,000	-	(3,215,000)	29,510,000	3,325,000
Total Long-term Debt	<u>75,478,251</u>	<u>-</u>	<u>(5,515,776)</u>	<u>69,962,475</u>	<u>5,532,475</u>
Accrued Compensated					
Absences	3,926,419	326,561	(361,694)	3,891,286	433,059
Unamortized Bond					
Premium	3,419,904	-	(515,418)	2,904,486	-
Unamortized Bond Discount	(211,051)	-	12,154	(198,897)	-
Refundable Government					
Grants	1,509,621	-	-	1,509,621	-
Other Liabilities	<u>360,711</u>	<u>-</u>	<u>(360,711)</u>	<u>-</u>	<u>-</u>
Total Other Long-term					
Liabilities	<u>9,005,604</u>	<u>326,561</u>	<u>(1,225,669)</u>	<u>8,106,496</u>	<u>433,059</u>
Total Long-term Liabilities	<u>\$ 84,483,855</u>	<u>\$ 326,561</u>	<u>\$ (6,741,445)</u>	<u>\$ 78,068,971</u>	<u>\$ 5,965,534</u>

***Termination Benefits***

The NSCS has two programs for support staff in the Nebraska Association of Public Employees Local 61 of the American Federation of State, County, and Municipal Employees (NAPE/AFSCME) bargaining unit and support staff excluded from the NAPE/AFSCME bargaining unit, which must be accounted for under GASB Statement No. 47, *Accounting for Termination Benefits*, the Voluntary Retirement Settlement Program and the Early Retirement Incentive Program.

Under the voluntary retirement settlement program, an eligible employee who is 55 years of age or more on July 1 of the year in which he or she chooses to retire, and has 10 or more years of consecutive service within the NSCS, will be paid one-quarter of his or her final year base salary in 12 equal monthly installments following termination of employment. In addition, employees will be permitted to remain in the group medical and dental insurance plan offered retirees by Blue Cross/Blue Shield at the time of the employee's retirement. The NSCS will pay the employee's health/dental insurance (State and employee burden) costs for the 12-month period following termination of employment. If the retired employee reaches the age of 65 at any time during the 12-month period, at which time eligibility to participate in the Blue Cross/Blue Shield retiree plan ceases, the NSCS will pay an amount equivalent to the full cost of the 65 Gold Plus Medicare Supplemental Plan or the Retired BlueSenior Classic Plan offered by the Nebraska State Education Association (NSEA) for the payout period remaining. Under the current bargaining agreement and Board policy, this plan was only available to those employees who retired on June 30, 2020. Similar voluntary retirement settlement programs were also offered to support staff in the NAPE/AFSCME bargaining unit who retired on specific days in the past.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**5. Long-term Liabilities** (Continued)

Under the early retirement incentive program, eligible employees who have completed at least 10 years of continuous service within the NSCS and are 60 years of age or older will be paid premiums in the group medical and dental health insurance program offered retirees by Blue Cross/Blue Shield at the time of the eligible employees' retirement. The payment of premiums will continue until the retired employees become eligible for coverage under the Federal Medicare program, at which time the paid premiums will cease.

At June 30, 2020, three employees at CSC, two employee at PSC, and fourteen employees at WSC were participating in the NSCS's voluntary/early retirement programs. As of June 30, 2019, four employees at CSC, one employee at PSC, and four employees at WSC were participating. Liability amounts associated with these retirements are shown below. Liability amounts are reflected in the accrued compensated absences line item on the Statements of Net Position and the long-term liability schedule above. All termination benefits are shown at present cost.

	2020		2019	
	Ending Balance	Current Portion	Ending Balance	Current Portion
CSC	\$ 48,841	\$ 30,072	\$ 62,118	\$ 26,960
PSC	97,228	28,252	5,579	5,579
WSC	391,165	160,610	97,768	32,959
Total	\$ 537,234	\$ 218,934	\$ 165,465	\$ 65,498

***Student Fees and Facilities Revenue Refunding Bonds Series 2012***

In April 2012, the NSCS Board of Trustees authorized the issuance of \$8,750,000 of Student Fees and Facilities Revenue Refunding Bonds Series 2012. The purpose of the issuance was to redeem in full the outstanding principal amount of the Student Fees and Facilities Revenue and Refunding Bonds Series 2002. On July 1, 2012, the net proceeds from Series 2012 bonds were used to redeem the Series 2002 bonds. This advanced refunding reduced total debt service payments over the remaining 15 years by \$2,264,673. Bond refunding resulted in an estimated economic gain of \$1,515,352. The difference between the reacquisition price and the net carrying amount of the old debt has been deferred and is amortized over the remaining life of the new debt, which is the same as the life of the refunded debt. Under the bond resolution for Student Fees and Facilities Bonds, revenues and earnings derived from operations of all revenue facilities and special student fees are pledged for payment of the principal and interest amounts of the bonds. The bonds are not obligations of the State of Nebraska, and no tax funds may be appropriated for payment of principal and interest. The amounts for WSC's and PSC's portions of the bond obligations were \$6,045,000 and \$2,705,000, respectively, bearing interest at rates from 0.3% to 3.2%, with payments due from fiscal years 2013 to 2028. Bonds maturing on or after July 1, 2018, can be redeemed, in part or in whole, on or after July 1, 2017.

***Student Fees and Facilities Revenue Bonds Series 2013***

In September 2012, the NSCS Board of Trustees authorized the issuance of \$7,735,000 of Student Fees and Facilities Revenue Bonds Series 2013. The purpose of the issuance was to finance the construction of CSC's Eagle Ridge housing and maintenance to several revenue bond building roofs. Under the bond resolution for Student Fees and Facilities Bonds, revenues and earnings derived from operations of all revenue facilities and special student fees are pledged for payment of the principal and interest amounts of the bonds. The bonds are not obligations of the State of Nebraska, and no tax funds may be appropriated for payment of principal and interest. The \$7,735,000 in bonds bear interest at rates from 0.6% to 3.0%, with payments due from fiscal years 2014 to 2034. Bonds maturing on or after July 1, 2018, can be redeemed, in part or in whole, on or after January 3, 2018.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**5. Long-term Liabilities** (Continued)

***Student Fees and Facilities Revenue Refunding Bonds Series 2014***

In April 2014, the NSCS Board of Trustees authorized the issuance of \$4,270,000 of Student Fees and Facilities Revenue Refunding Bonds Series 2014. The purpose of the issuance was to redeem in full the outstanding principal amount of CSC's Student Fees and Facilities Revenue Bonds Series 2003A. On June 5, 2014, the net proceeds from Series 2014 bonds were used to redeem the Series 2003A bonds. This current refunding reduced total debt service payments over the remaining 14 years by \$1,085,523. Bond refunding resulted in an estimated economic gain of \$654,661. The difference between the reacquisition price and the net carrying amount of the old debt has been deferred and is being amortized over the remaining life of the new debt, which is the same as the life of the refunded debt. Under the bond resolution for Student Fees and Facilities Bonds, revenues and earnings derived from operations of all revenue facilities and special student fees are pledged for payment of the principal and interest amounts of the bonds. The bonds are not obligations of the State of Nebraska, and no tax funds may be appropriated for payment of principal and interest. The \$4,270,000 in bonds bear interest at rates from 0.35% to 4.0%, with payments due from fiscal years 2015 to 2029. Bonds maturing on or after July 1, 2020, can be redeemed, in part or in whole, on or after July 1, 2019.

***Student Fees and Facilities Revenue Bonds Series 2015***

In November 2015, the Board authorized the issuance of \$8,935,000 of Student Fees and Facilities Revenue Bonds Series 2015. The purpose of the issuance was to finance improvements to Peru State's Delzell Hall. Under the bond resolution for Student Fees and Facilities Bonds, revenues and earnings derived from operations of all revenue facilities and special student fees are pledged for payment of the principal and interest amounts of the bonds. The bonds are not obligations of the State of Nebraska, and no tax funds may be appropriated for payment of principal and interest. The \$8,935,000 in bonds bear interest at rates from 1.1% to 3.75%, with payments due from fiscal years 2017 to 2047. Bonds maturing on or after July 1, 2026, can be redeemed, in part or in whole, on or after July 1, 2025.

***Student Fees and Facilities Revenue Bonds Series 2016***

In November 2015, the Board authorized the issuance of \$11,270,000 of Student Fees and Facilities Revenue Bonds Series 2016. The purpose of the issuance was to finance improvements to Wayne State's Bowen Hall. Under the bond resolution for Student Fees and Facilities Bonds, revenues and earnings derived from operations of all revenue facilities and special student fees are pledged for payment of the principal and interest amounts of the bonds. The bonds are not obligations of the State of Nebraska, and no tax funds may be appropriated for payment of principal and interest. The \$11,270,000 in bonds bear interest at rates from 2.0% to 5.0%, with payments due from fiscal years 2017 to 2047. Bonds maturing on or after July 1, 2026, can be redeemed, in part or in whole, on or after January 1, 2026.

***Student Fees and Facilities Revenue Refunding Bonds Series 2016B***

In January 2016, the Board authorized the issuance of \$3,810,000 of Student Fees and Facilities Revenue Refunding Bonds Series 2016B. The purpose of the issuance was to redeem in full the outstanding principal amount of the Student Fees and Facilities Revenue Bonds Series 2010. On March 18, 2016, the net proceeds from Series 2016B bonds were used to redeem the Series 2010 bonds. This current refunding reduced total debt service payments over the remaining 14 years by \$611,743. Bond refunding resulted in an estimated economic gain of \$380,673. The reacquisition price equaled the net carrying amount of the old debt and,

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**5. Long-term Liabilities** (Continued)

therefore, no amount was required to be deferred and amortized. Under the bond resolution for Student Fees and Facilities Bonds, revenues and earnings derived from operations of all revenue facilities and special student fees are pledged for payment of the principal and interest amounts of the bonds. The bonds are not obligations of the State of Nebraska, and no tax funds may be appropriated for payment of principal and interest. The \$3,810,000 in bonds bear interest at rates from 0.65% to 2.8%, with payments due from fiscal years 2017 to 2031. Bonds maturing on or after July 1, 2021, can be redeemed, in part or in whole, on or after March 18, 2021.

***Student Fees and Facilities Revenue Refunding Bonds Series 2016C***

In November 2016, the Board authorized the issuance of \$2,865,000 of Student Fees and Facilities Revenue Refunding Bonds Series 2016C. The purpose of the issuance was to redeem in full the outstanding principal amount of the Student Fees and Facilities Revenue Bonds Series 2011. On December 19, 2016, the net proceeds from Series 2016C bonds were used to redeem the Series 2011 bonds. This current refunding reduced total debt service payments over the remaining 14 years by \$604,271. Bond refunding resulted in an estimated economic gain of \$407,674. The reacquisition price equaled the net carrying amount of the old debt and, therefore, no amount was required to be deferred and amortized. Under the bond resolution for Student Fees and Facilities Bonds, revenues and earnings derived from operations of all revenue facilities and special student fees are pledged for payment of the principal and interest amounts of the bonds. The bonds are not obligations of the State of Nebraska, and no tax funds may be appropriated for payment of principal and interest. The \$2,865,000 in bonds bear interest at rates from 0.95% to 3.2%, with payments due from fiscal years 2018 to 2032. Bonds maturing on or after July 1, 2022, can be redeemed, in part or in whole, on or after December 19, 2021.

The official Revenue bond statements define an event of default as missing principal and/or interest payments, discontinuation, unreasonable delay, or fail to construct the Project or acquire the facility, promptly repair destroyed or damaged buildings and facilities, or the Board become insolvent. In the event of such default, the outstanding bonds contain a provision stating that the registered owners of 25% of the aggregate principal amount of the Bonds then outstanding may declare the principal of all bonds then outstanding to be due and payable immediately.

***Corporation Bonds***

In November 2013, the Corporation authorized the issuance of \$13,460,000 of Building Bonds, Series 2014. Proceeds from the issuance of these bonds will be used to help build a portion of the CSC Rangeland Center and to renovate WSC's U.S. Conn Library. This bond issue is a general obligation of the Corporation, which is a separate legal entity that is not subject to State constitutional restrictions on the incurrence of debt, which may apply to the State itself. The financial resources used to repay the bonds are appropriations. The bonds bear interest at rates of 2.0% to 5.0%, and are due in semiannual installments, which began June 15, 2014. Principal maturities, due in annual installments, began June 15, 2015, and continue until June 15, 2021. The bonds are not subject to redemption prior to maturity.

In June 2016, the Corporation authorized the issuance of \$26,655,000 of Deferred Maintenance Refunding Bonds Series 2016, of which \$19,295,000 was related to new bonds and \$7,360,000 was related to refunding bonds. The purpose of the issuance was to redeem in full the outstanding principal amount of the Deferred Maintenance Series 2006 bonds and allow for the issuance of new bond proceeds to help fund the renovation of the stadium at CSC, the renovation of the Theatre/Event Center at PSC, and the construction of applied

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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**5. Long-term Liabilities** (Continued)

technology programmatic space at WSC. On September 19, 2016, the Series 2006 bonds were advance refunded. This refunding of the Series 2006 bonds resulted in a reduction of total debt service payments by \$854,784 and an estimated economic gain of \$471,674. The difference between the reacquisition price and the net carrying amount of the old debt has been deferred and is amortized over the remaining life of the old bonds. This bond issue is a general obligation of the Corporation, which is a separate legal entity that is not subject to State constitutional restrictions on the incurrence of debt, which may apply to the State itself. The financial resources used to repay the bonds are appropriations and special student fees. The bonds bear interest, payable semiannually, at rates of 2.00% to 5.00%. Principal maturities, due in annual installments, began July 15, 2017, and continue until July 15, 2030. Bonds maturing on or after July 15, 2027, are able to be redeemed, in part or in whole, on or after July 15, 2026.

In May 2020, the Corporation issued \$23,465,000 of Series 2020 Bonds, which was authorized in February 2020 by the Corporation. Proceeds from the issuance of these bonds will be used to renovate the Math Science Building at Chadron State College. The bonds are not obligations of the State of Nebraska, and no tax shall ever be levied to raise the funds for the principal payment thereof or the interest or premium thereon. The bonds do not constitute debt of the Board of Trustees of the Nebraska State Colleges, but the first two interest payments will be paid with funds from Chadron State College and the remaining debt payments shall be payable solely out of moneys derived from legislative appropriations. The bonds bear interest, payable semiannually, at rates of 3.00% to 5.00%. Principal maturities, due in annual installments, begin June 15, 2022, and continue until June 15, 2035. The bonds are not subject to redemption prior to maturity.

The official Corporation bond statements define an event of default as missing principal and/or interest payments on the due date for a period of 60 days after written notice has been given to the Corporation by any registered owner. In the event of such default, the outstanding bonds contain a provision stating that the registered owners of 25% of the aggregate principal amount of the Bonds then outstanding may declare the principal of all bonds then outstanding to be due and payable immediately.

***Master Lease Purchasing Program***

The State of Nebraska, through the Department of Administrative Services (DAS) – Accounting Division, has a Master Lease Purchasing Agreement to be used by various agencies to purchase equipment. CSC used this financing arrangement to finance the acquisition of equipment in fiscal year 2020. The master lease obligations bear interest payable at a rate of 2.08%. The Master Lease expires in fiscal years 2025 and 2020 while PSC's Master Lease expired in fiscal year 2019. The firewall system was not complete at the end of the fiscal year, the equipment purchased totaling \$43,002 is recorded in construction in progress until it is completed.

The official statement of the master lease agreement defines an event of default as failure to pay any rental payment or other payment required to be paid, failure to observe or perform any covenant, condition or agreement on its part, or representation or warranty made in the Lease was untrue in any material respects. In event of such default, with or without termination of the lease, all rental payments for which funds have been appropriated may be declared due, equipment may become repossessed and dispose of such equipment, or any other remedy available at law or in equity with respect to such event of default.

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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

5. **Long-term Liabilities** (Continued)

Debt service requirements to maturity for all long-term debt of the NSCS are as follows:

**CSC Master Lease Obligation Summary**

<b>Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2021	\$ 87,546	\$ 6,860	\$ 94,406
2022	89,388	5,018	94,406
2023	91,268	3,138	94,406
2024	93,187	1,219	94,406
2025	7,854	14	7,868
Total	<u>\$ 369,243</u>	<u>\$ 16,249</u>	<u>\$ 385,492</u>

**CSC Revenue and Refunding Bonds**

<b>Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2021	\$ 655,000	\$ 227,578	\$ 882,578
2022	675,000	213,044	888,044
2023	690,000	195,690	885,690
2024	700,000	179,642	879,642
2025	715,000	162,907	877,907
2026 – 2030	3,475,000	519,735	3,994,735
2031 – 2034	1,915,000	116,925	2,031,925
Total	<u>\$ 8,825,000</u>	<u>\$ 1,615,521</u>	<u>\$ 10,440,521</u>

**PSC Revenue and Refunding Bonds**

<b>Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2021	\$ 570,000	\$ 369,111	\$ 939,111
2022	585,000	359,488	944,488
2023	600,000	348,431	948,431
2024	605,000	336,083	941,083
2025	620,000	322,346	942,346
2026 – 2030	2,895,000	1,368,297	4,263,297
2031 – 2035	1,880,000	1,005,005	2,885,005
2036 – 2040	1,715,000	714,949	2,429,949
2041 – 2045	2,050,000	371,405	2,421,405
2046 – 2047	930,000	35,250	965,250
Total	<u>\$ 12,450,000</u>	<u>\$ 5,230,365</u>	<u>\$ 17,680,365</u>

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

5. **Long-term Liabilities** (Continued)

**WSC Revenue and Refunding Bonds**

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 890,000	\$ 504,476	\$ 1,394,476
2022	905,000	486,184	1,391,184
2023	920,000	466,124	1,386,124
2024	950,000	441,505	1,391,505
2025	980,000	411,929	1,391,929
2026 – 2030	4,350,000	1,603,621	5,953,621
2031 – 2035	2,110,000	1,156,653	3,266,653
2036 – 2040	2,160,000	828,078	2,988,078
2041 – 2045	2,555,000	429,712	2,984,712
2046 – 2047	1,150,000	40,600	1,190,600
Total	<u>\$ 16,970,000</u>	<u>\$ 6,368,882</u>	<u>\$ 23,338,882</u>

**Corporation Bonds**

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 4,800,000	\$ 2,007,694	\$ 6,807,694
2022	3,055,000	1,675,668	4,730,668
2023	3,195,000	1,552,118	4,747,118
2024	3,305,000	1,442,293	4,747,293
2025	3,420,000	1,328,543	4,748,543
2026 – 2030	19,345,000	4,307,628	23,652,628
2031 – 2035	12,530,000	1,071,647	13,601,647
Total	<u>\$ 49,650,000</u>	<u>\$ 13,385,591</u>	<u>\$ 63,035,591</u>

**NSCS Loan Obligation and Bond Summary**

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 7,002,546	\$ 3,115,719	\$ 10,118,265
2022	5,309,388	2,739,402	8,048,790
2023	5,496,268	2,565,501	8,061,769
2024	5,653,187	2,400,742	8,053,929
2025	5,742,854	2,225,739	7,968,593
2026 – 2030	30,065,000	7,799,281	37,864,281
2031 – 2035	18,435,000	3,350,230	21,785,230
2036 – 2040	3,875,000	1,543,027	5,418,027
2041 – 2045	4,605,000	801,117	5,406,117
2046 – 2047	2,080,000	75,850	2,155,850
Total	<u>\$ 88,264,243</u>	<u>\$ 26,616,608</u>	<u>\$ 114,880,851</u>

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**5. Long-term Liabilities** (Concluded)

The bond resolutions of the Corporation Bonds, and the Revenue and Refunding Bonds specify the funds that need to be established, the required transfers between funds, and the maximum maturity limits for the funds' investments. The bond resolutions also contain certain covenants, including compliance with a ratio of net revenues to debt service. At June 30, 2020 and 2019, the NSCS was in compliance with these requirements.

**6. Operating Leases**

Noncancellable operating leases related primarily to office space and equipment expire in various fiscal years through 2025. Renewal options for leases containing such provision ranged from one to two years. These operating leases generally require the NSCS to pay all executory costs (property taxes, maintenance, operating, and insurance).

Future noncancellable operating lease payments as of June 30, 2020, were:

2021	286,607
2022	170,381
2023	153,339
2024	35,263
2025	1,738
Total	<u>\$ 647,328</u>

The NSCS's operating lease payments for the years ended June 30, 2020, and June 30, 2019, were \$829,472 and \$846,796, respectively.

**7. Revenue Bond Program**

The Board, for the benefit of the Nebraska State Colleges, issues bonds to finance the construction, repair, and maintenance of revenue bond buildings owned and operated by the Board of Trustees of the Nebraska State College System. The Revenue Bond Program (Program) provides funding for general operations as well as funding for various construction and renovation projects as specified by the individual bond documents. The Program is designed to provide greater flexibility to finance revenue bond projects at the three Colleges. The current revenue bond master resolution was approved in 2002 by the Board.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

7. **Revenue Bond Program** (Continued)

Financial information for the Program for June 30, 2020 and 2019, is summarized as follows:

**Condensed Statement of Net Position**

	<u>2020</u>	<u>2019</u>
<b>Assets</b>		
Current Assets	\$ 19,540,148	\$ 18,492,868
Non-current Assets	56,159,500	57,289,961
Total assets	<u>75,699,648</u>	<u>75,782,829</u>
<b>Deferred Outflows of Resources</b>	<u>28,403</u>	<u>32,180</u>
<b>Liabilities</b>		
Current Liabilities	4,517,069	4,319,671
Non-current Liabilities	<u>37,587,808</u>	<u>38,450,009</u>
Total liabilities	<u>42,104,877</u>	<u>42,769,680</u>
<b>Net Position</b>		
Net investment in capital assets	17,686,594	16,980,052
Restricted for		
Debt service	2,167,270	2,197,545
By enabling legislation	<u>13,769,310</u>	<u>13,867,732</u>
Total net position	<u>\$ 33,623,174</u>	<u>\$ 33,045,329</u>

**Condensed Statement of Revenues, Expenses, and Changes in Net Position**

	<u>2020</u>	<u>2019</u>
<b>Operating Revenues</b>		
Rentals	\$ 7,907,588	\$ 8,419,992
Food Service	7,827,832	8,646,810
Facilities	3,511,518	3,399,559
Bookstore	145,966	177,635
Other	<u>309,037</u>	<u>264,391</u>
Total operating revenues	<u>19,701,941</u>	<u>20,908,387</u>
<b>Operating Expenses</b>		
Food Service	5,466,193	5,707,318
Other	<u>15,587,554</u>	<u>14,643,519</u>
Total operating expenses	<u>21,053,747</u>	<u>20,350,837</u>
<b>Operating Income (Loss)</b>	(1,351,806)	557,550
<b>Non-operating Revenue (Expenses)</b>	<u>1,443,753</u>	<u>(662,709)</u>
<b>Capital Contributions</b>	<u>485,898</u>	<u>-</u>
<b>Increase (Decrease) in Net Position</b>	577,845	(105,159)
<b>Net Position, Beginning of Year</b>	<u>33,045,329</u>	<u>33,150,488</u>
<b>Net Position, End of Year</b>	<u>\$ 33,623,174</u>	<u>\$ 33,045,329</u>

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

7. **Revenue Bond Program** (Concluded)

**Condensed Statement of Cash Flows**

	<b>2020</b>	<b>2019</b>
<b>Cash Flows from Operating Activities</b>	\$ 2,014,835	\$ 3,035,776
<b>Non-Capital Financing Activities</b>	2,193,486	-
<b>Cash Flows from Capital and Related Financing Activities</b>	(3,498,836)	(3,338,903)
<b>Cash Flows from Investing Activities</b>	375,708	1,063,989
<b>Change in Cash and Cash Equivalents</b>	1,085,193	760,862
<b>Cash and Cash Equivalents, Beginning of Year</b>	20,665,325	19,904,463
<b>Cash and Cash Equivalents, End of Year</b>	\$21,750,518	\$20,665,325

8. **Retirement Plans**

The NSCS has a defined contribution retirement plan currently in effect, which was established by the Board of Trustees and may be amended by the Board in accordance with Neb. Rev. Stat. § 85-320 (Reissue 2014). The Nebraska State College System Defined Contribution Retirement Plan covers all faculty, professional staff, and support staff, and provides investment options and annuity contracts administered by the Teachers Insurance and Annuity Association – College Retirement Equities Fund (TIAA). The plan provides retirement and death benefits to plan members and their beneficiaries. Benefit provisions are contained in the plan document and may be amended by action of the Board of Trustees. Contribution rates for plan members and the NSCS for 2020 and 2019, expressed as a percentage of covered payroll, 6% and 8%, respectively. Contributions actually made for the fiscal years ended June 30, 2020 and 2019, by plan members and the NSCS were \$2,877,409 and \$2,808,805; and \$3,838,572 and \$3,770,041 respectively. At June 30, 2020 and 2019, the plan had 765 and 779 contributing members, respectively. The NSCS contributions encumbered for the fiscal years ended June 30, 2020 and 2019 in the amounts of \$227,140 and \$224,208, respectively.

Membership in the plan was mandatory for all full-time faculty and staff who attained the age of thirty. Voluntary membership is permitted for all full-time faculty and staff upon reaching the second anniversary of their employment and the attainment of age 25. The plan benefits are fully vested at the date of contribution.

The NSCS also sponsors a supplemental retirement annuity (SRA) plan, Roth individual retirement account (403(b)), and 457 deferred compensation supplemental plan. Plan members contributed \$787,536 to the SRA, \$204,939 to the Roth 403(b), and \$87,650 to the 457 plan in 2020, while in 2019 plan members contributed \$862,132 to the SRA, \$178,085 to the Roth 403(b), and \$112,450 to the 457 plan. The NSCS does not contribute to these supplemental plans.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**9. Risk Management**

The NSCS is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; and natural disasters. Responsibility for the coordination of a risk and insurance management program for the NSCS is assigned to the Chancellor. The responsibility for the development and implementation of the risk and insurance management program is assigned to each of the Colleges' Presidents. Mechanisms for identifying risks and for taking appropriate action to eliminate, abate, transfer, or retain these risks is also the responsibility of each College. DAS – Risk Management Division is responsible for maintaining the self-insurance program for workers' compensation along with the motor vehicle liability insurance.

The NSCS has chosen to purchase insurance for:

- A. Health care and life insurance for eligible employees.
- B. General liability coverage (including employee benefits liability), with limits ranging from \$1,000,000 per occurrence to \$3,000,000 in aggregate
- C. Educators legal liability, with a limit of \$4,000,000 per each claim, \$4,000,000 annual aggregate, and a self-insured retention of \$150,000.
- D. Real and personal property through the Midwestern Higher Education Compact's (MHEC) property program on a blanket basis for losses up to \$500,000,000, with the program funding a self-insurance pool of \$1,000,000 per loss occurrence and a deductible of \$50,000 for the NSCS, except for tornado and hail, which is a \$300,000 deductible. Newly acquired properties are covered up to \$50,000,000 for 90 days from the date the insured takes ownership of the property. The perils of flood, earthquake, and acts of terrorism have various coverages and sublimits. Details of these coverages are available from the NSCS.

No settlements exceeded commercial insurance coverage in any of the past three fiscal years. Health care insurance is funded through a combination of employee and NSCS contributions. Workers' compensation is funded in the Workers' Compensation Internal Service Fund through assessments on each State agency based on total agency payroll and past experience. Tort claims; theft of, damage to, or destruction of assets; errors or omissions; and natural disasters would be funded through the State General Fund or by NSCS assessments, as directed by the Legislature, unless covered by purchased insurance. No amounts for estimated claims have been reported in the NSCS's financial statements.

**10. Commitments and Contingencies**

***Construction Contracts***

The Board of Trustees has approximate remaining construction commitments of \$4,523,000 and \$5,100,000, as of June 30, 2020 and 2019, respectively. These projects will be funded through cash funds, LB 309 Task force funds, Foundation gifts, bond proceeds, contingency maintenance funds, and capital improvement fees. Construction commitments are identified by College, as follows:

	<u>2020</u>	<u>2019</u>
CSC	\$ 1,692,000	\$ 3,227,000
PSC	941,000	1,063,000
WSC	1,890,000	810,000

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**10. Commitments and Contingencies** (Concluded)

*Government Grants*

The NSCS is currently participating in numerous grants from various departments and agencies of the Federal and State governments. The expenditures of grant proceeds must be for allowable and eligible purposes. Single audits and audits by the granting department or agency may result in requests for reimbursement of unused grant proceeds or disallowed expenditures. Upon notification of final approval by the grant department or agency, the grants are considered closed.

**11. Restricted Net Position**

Restricted net position reports resources that are owned by the NSCS, but their use or purpose is restricted. Restricted net position reported on the Statements of Net Position is further classified into the following:

*Loans* represent institutional loans and Federal program loan funds set aside to serve as revolving loan funds for students.

*Debt Service* represents Corporation and revenue bond balances reserved for debt service payments.

*Plant* represents funds reserved for capital improvements net of any related liabilities.

*Other* represents funds restricted through external constraints imposed by creditors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Restricted net position of \$20,311,982 and \$19,948,649 in fiscal years 2020 and 2019, respectively, was restricted due to enabling legislation.

**12. Joint Operation**

On September 14, 2006, WSC entered into an interlocal agreement with Northeast Community College (NECC) to build and operate College Center in South Sioux City (CCSSC), Nebraska, which offers classes from both NECC and WSC. CCSSC began offering classes during the fiscal year ended June 30, 2011. On September 6, 2016, WSC entered into a new interlocal agreement with NECC to continue to operate CCSSC.

NECC administers the accounts payable related to joint operation and maintenance costs and provides WSC with quarterly reports and an invoice for WSC's share of expenses accompanied by supporting documentation. Both parties agree the expense allocation between the parties shall be split equally (50%-50%) for all expenses for the term of the Agreement. CCSSC is governed by CCSSC's Administrative Council, which is a four-member voting board composed of two appointees from NECC and two appointees from WSC. In addition to the voting members, the following individuals shall serve on the Council in an ex officio capacity: Facilities Manager and two institutional leaders (one appointed by each President). The chairperson of the Council shall be selected on a rotating basis with a WSC representative in even-numbered years and a Northeast representative in odd-numbered years. Ownership of land and facilities are shared 50%-50% by NECC and WSC. Either party can terminate the agreement with at least twelve (12) months prior notice, giving the other party right of first refusal on purchase of the exiting party's interest in the building, contents, and land.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**13. Subsequent Event**

As a result of the spread of the SARS-CoV-2 virus and the incidence of COVID-19, economic uncertainties have arisen which may negatively affect the financial position, results of operations and cash flows of the Program. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

**14. Component Unit Disclosures – Foundations**

On the following pages are the notes taken from the audited financial statements, for the years ended as indicated below, of the Foundations:

<u>Foundation</u>	<u>Years Ended</u>	<u>Pages</u>
Chadron State	June 30, 2020 and 2019	64 - 78
Peru State College	December 31, 2019 and 2018	79 - 89
Wayne State	June 30, 2020 and 2019	90 - 101

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**CHADRON STATE FOUNDATION**

**Note 1 – Purpose of Foundation and Description of Program Services**

*Purpose*

Chadron State Foundation (the Foundation) is a nonprofit organization incorporated in the State of Nebraska in 1963 to promote the education, scientific, and benevolent purposes of Chadron State College (the College). The Foundation acts largely as a fundraising organization, soliciting and receiving contributions and pledges on behalf of the College. Assets received by the Foundation are used to acquire equipment to be used by the College, to provide financial aid for college students, or to be otherwise expended for the betterment of the College.

*Program Services*

Chadron State Foundation is a nonprofit corporation classified by the Internal Revenue Service as tax-exempt under Section 501(c)(3). The Foundation provides support to Chadron State College (the College) through scholarships and awards to the students of the College and provides institutional support of management and special projects related to the College.

**Note 2 – Summary of Significant Accounting Policies**

*Basis of Accounting*

The Foundation prepares its financial statements on the accrual basis of accounting; consequently, certain revenue and the related assets are recognized when earned rather than when received, and certain expenses are recognized when incurred rather than when the obligation is paid.

*Basis of Presentation*

The Foundation is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

*Net Assets Without Donor Restrictions* - Net assets that are not subject to donor-imposed stipulations.

*Net Assets with Donor Restrictions* - Net assets that are subject to donor/grantor-imposed time or purpose stipulations. Net assets with donor restrictions are broken into two categories: net assets restricted by time or purpose and net assets restricted in perpetuity.

*Net Assets Restricted by Time or Purpose* - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Foundation and/or the passage of time. When a restriction expires, net assets are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

*Net Assets Restricted in Perpetuity* - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on any related investments for general or specific purposes.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**CHADRON STATE FOUNDATION** (Continued)

**Note 2 – Summary of Significant Accounting Policies** (Continued)

***Designation Net Assets Without Donor Restrictions***

It is the policy of the Board of Directors of the Foundation to designate sums of net assets without donor restrictions to assure adequate reserves are accumulated to help fund specific future events and the general operations of the Foundation. Accordingly, net assets without donor restrictions of the Foundation are classified and reported as follows:

*Operating Fund* – The portion of net assets without donor restrictions that is undesignated and available for the day-to-day operations, support, and management of the Foundation.

*CSC General Fund* – Represents the annual accumulation of gifts without donor restrictions of \$4,999 or less received by the Foundation. These funds must first be used to address any operating deficits for the current fiscal year. The remaining balance is transferred to the beginning fund balance of the CSC Quasi Endowment in the following fiscal year.

*CSC Quasi Endowment* – Represents gifts without donor restrictions designated by the Board of Directors that must adhere to the policies and procedures of Section IV of the Chadron State Foundation Endowment Policy & Guidelines.

*Greatest Need* – Represents gifts without donor restrictions and pledges of \$5,000 or more that will be allocated per recommendation of the Development Committee and approved by the Board of Directors. Such recommendations are based on the initiatives and priorities of the Foundation and, when appropriate, the Campaign Leadership Committee. Such recommendations must be approved by the Board of Directors. Upon approval by the Board of Directors, these gifts and pledges are accounted for in the appropriate Board-designated fund. The Board of Directors has allocated the entire fund balance to Capital Campaign Initiatives to be used as needed to complete the current capital projects.

***Cash and Cash Equivalents and Short-term Investments***

The Foundation considers all highly liquid investments and deposits with a term to maturity of three months or less when purchased to be cash equivalents. Money market funds and certificates of deposits, with an original maturity of three months or less when purchased, are classified as short-term investments and are not considered to be cash equivalents for purposes of the Statement of Cash Flows.

***Investments***

Investment purchases are recorded at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the Statement of Financial Position. Net investment return/loss is reported in the Statement of Activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**CHADRON STATE FOUNDATION** (Continued)

**Note 2 – Summary of Significant Accounting Policies** (Continued)

***Promises to Give***

Conditional promises to give are not recognized in the financial statements until the conditions are substantially met or explicitly waived by the donor. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at the present value of discounted future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. In the absence of donor stipulations to the contrary, promises with payments due in future periods are restricted for use after the due date. Promises that remain uncollected for more than one year after their due dates are written off unless the donors indicate that payment is merely postponed.

***Revenue and Revenue Recognition***

The Foundation recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

Consequently, at June 30, 2020, contributions approximating \$5,800,000, have not been recognized in the accompanying statements of activities because the conditions on which they depend have not yet been met. The conditional contributions are subject to donors modifying their intent.

A portion of the Foundation's revenue is derived from cost-reimbursable federal and state contracts, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Foundation has incurred expenditures in compliance with specific contract provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statements of financial position. The Foundation received cost-reimbursable grants of \$21,960 for payroll and \$75,939 for federal pandemic relief that have not been recognized at June 30, 2020, because qualifying expenditures have not yet been incurred in accordance with contract provisions. These amounts are reported as refundable advances in the statement of financial position. There were no such grants or contracts during the year ended June 30, 2019.

***Contributed Materials and Services***

The Foundation records various types of in-kind contributions. Contributed services are recognized at fair value if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received. The amounts reflected in the accompanying financial statements as in-kind contributions are offset by like amounts included in expenses. Total contributed materials and services recognized for the years ended June 30, 2020 and 2019, were \$1,746 and \$87,268 respectively.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**CHADRON STATE FOUNDATION** (Continued)

**Note 2 – Summary of Significant Accounting Policies** (Continued)

***Property and Equipment***

Investment in property and equipment is stated at cost less accumulated depreciation or at fair value if donated. All purchases or donations of property and equipment in excess of \$1,000 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of the assets are capitalized. Property and equipment are depreciated on a straight-line basis over the estimated useful lives of the assets, as follows:

	Estimated Useful Life
Office Equipment	3 – 15 yrs
Building and Improvements	39.5 – 50 yrs

***Refundable Advances***

In response to the coronavirus (COVID-19) outbreak in 2020, the U.S. Federal Government enacted the Coronavirus Aid, Relief, and Economic Security Act that, among other economic stimulus measures, established the Paycheck Protection Program (PPP) to provide small business loans. In April 2020, the Organization obtained a PPP loan for \$75,939, which is included in refundable advances. The Organization believes it used all of the proceeds from the note for qualifying expenses and, thus, expects to receive approval of its application for the loan to be forgiven in the future, at which time the Organization will recognize grant revenue.

***Collections***

The Foundation has a collection of artwork and other memorabilia that was donated by several supporters of Chadron State College. The collection is on display and is available to those who are interested in studying Nebraska state history. The Foundation has taken steps to ensure that the collection is protected and preserved. Collection items acquired either through purchase or donation are not capitalized. Purchases of collection items are recorded as decreases in net assets without donor restrictions if purchased with assets without donor restrictions and as decreases in net assets with donor restrictions if purchased with donor-restricted assets. Contributions of collection items are not recognized in the Statement of Activities. Proceeds from deaccessions or insurance recoveries are reflected on the Statement of Activities based on the absence or existence and nature of donor-imposed restrictions. If collection items are sold, the proceeds from the sale are used to purchase additional collection items.

***Income Tax Status***

The Foundation follows the accounting guidance for uncertainty in income taxes. A tax position initially needs to be recognized in the financial statements when it is more-likely-than-not the position will be sustained upon examination by the taxing authorities.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**CHADRON STATE FOUNDATION** (Continued)

**Note 2 – Summary of Significant Accounting Policies** (Continued)

The Foundation is a nonprofit corporation classified by the Internal Revenue Service as tax-exempt under Section 501(c)(3) and as a non-private foundation under Section 509(a)(1) of the Internal Revenue Code. The Foundation is not liable for income taxes if it operates within the confines of its exempt status, though the Foundation may be responsible for taxes on unrelated business activities. In the event of an examination of the income tax returns, the tax liability of the Foundation could be changed if an adjustment in the tax-exempt purpose or income from unrelated business activities is ultimately determined by the taxing authorities.

As of June 30, 2020, the Foundation had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. The Foundation's income tax filings are subject to audit by various tax authorities. The Foundation is no longer subject to federal and state income tax examinations by taxing authorities for fiscal years before 2017. Management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law, and new authoritative rulings. The Foundation believes their estimates are appropriate based on current facts and circumstances. Interest and penalties assessed by income taxing authorities, if any, are included in interest expense.

***Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

***Functional Allocation of Expenses***

The cost of providing the various programs and other activities has been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

***Reclassifications***

Certain amounts in the financial statements and related notes for the Foundation, for the year ended June 30, 2019, have been reclassified to conform to the presentation in the financial statements for the year ended June 30, 2020.

***Accounting Pronouncements Adopted***

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers Topic (606). This ASU supersedes the revenue recognition requirements in Topic 605, Revenue Recognition, and most industry-specific guidance. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Foundation early adopted this ASU on July 1, 2019. The adoption of ASU 2014-09 resulted in changes to the disclosure of revenue. There were no material changes to the recognition or presentation of revenue as a result of the application of ASU 2014-09. As a result, no cumulative-effect adjustment was recorded upon adoption.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**CHADRON STATE FOUNDATION** (Continued)

**Note 2 – Summary of Significant Accounting Policies** (Concluded)

In June 2018, the FASB issued (ASU) 2018-08, Not-for-Profit Entities: Topic 958. The amendments in this Update provide a more robust framework to determine when a transaction should be accounted for as a contribution under Subtopic 958-605 or as an exchange transaction accounted for under other guidance (for example, Topic 606). The amendments also provide additional guidance about how to determine whether a contribution is conditional. The Foundation early adopted this ASU on July 1, 2019. The adoption of this standard did not result in material changes to the recognition of presentation of revenue.

**Note 3 – Liquidity and Availability**

Financial assets available for general expenditure, that is, without restrictions limiting their use, within one year of the Statement of Financial Position date, are comprised of the following as of June 30:

	2020	2019
Financial Assets Available for Use:		
Cash and Cash Equivalents	\$ 1,182,560	\$ 1,574,989
Investments	21,518,421	21,376,970
Net Pledges Due Within One Year	341,139	609,858
Certificates of Deposit	786,063	775,876
Certificates of Deposit	23,828,183	24,337,693
Less: Assets Unavailable for General Expenditures		
Within One Year for the Following Purposes		
CSC Quasi Endowment	861,654	822,652
Assets Restricted by Time or Purpose	2,562,456	4,534,826
Assets to be Held in Perpetuity	18,975,039	18,949,548
	22,399,149	24,307,026
Financial Assets Available for General Expenditures	\$ 1,429,034	\$ 30,667

The Foundation's endowment funds consist of donor-restricted endowments and funds designated by the Board as endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for management purposes. Amounts available for management purposes were \$45,103 and \$2,898 as of June 30, 2020 and 2019, respectively. The Foundation's assets are fairly liquid and are intended to be used to support the students and departments of Chadron State College.

The Foundation's Board-designated endowment of \$861,654 and \$822,652 as of June 30, 2020 and 2019, respectively, is subject to an annual spending rate of up to 5%. Although the Foundation does not intend to spend from the Board-designated endowment (other than amounts for general expenditures as part of the Board's annual budget approval or appropriation), these amounts could be made available if necessary.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**CHADRON STATE FOUNDATION** (Continued)

**Note 4 – Pledges Receivable**

Contributions receivable at June 30, were as follows:

	<b>2020</b>	<b>2019</b>
Receivable in Less Than One Year	\$ 341,139	\$ 609,858
Receivable in One to Five Years	493,693	643,321
Receivable in Six to Ten Years	50,000	75,000
Total Contributions Receivable	\$ 884,832	\$ 1,328,179
Less: Unamortized Discounts to Net Present Value	(26,900)	(41,777)
Less: Allowance for Uncollectable Accounts	(64,119)	(45,286)
Net Contributions Receivable	\$ 793,813	\$ 1,241,116

Unconditional pledges receivable due in more than one year are discounted based on the creditworthiness of donors. Discount rates for the year ended June 30, 2020 were between 0.289% and 5.5% based on the five-year Treasury Rate at the time each pledge was made. The discount rate used on long-term promises to give was between 1.76% and 5.5% for the year ended June 30, 2019.

**Note 5 – Fair Market Value Measurements**

The Foundation classifies assets and liabilities measured at fair market value within a hierarchy based on whether the inputs to the valuation methodology used for measurement are observable or unobservable. Observable inputs reflect market-derived or market-based information obtained from independent sources while unobservable inputs reflect estimates about market data.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

*Level I* – Quoted prices are available in active markets for identical investments as of the reporting date. The type of investments that would generally be included in Level I include listed equities. The Foundation, to the extent that it holds such investments, does not adjust the quoted price of these investments.

*Level II* – Pricing inputs are observable for the investments, either directly or indirectly, as of the reporting date, but are not the same as those used in Level I. Fair value is determined through the use of models or other valuation methodologies. Investments which are generally included in this category are less-liquid and restricted-equity securities.

*Level III* – Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation. The Foundation did not have any Level III-type investments as of June 30, 2020 and 2019.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the determination of which category within the fair value hierarchy is appropriate for any given investment is based on the lowest level of input that is significant to the fair value measurement. The Foundation's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**CHADRON STATE FOUNDATION** (Continued)

**Note 5 – Fair Market Value Measurements** (Continued)

The fair value of each financial instrument in the table below was measured using input guidance and valuation techniques. The following table sets forth carrying amounts and estimated fair values for financial instruments at June 30:

	2020			
	Level I	Level II	NAV	Total
Mutual Funds:				
Large Cap	\$ 4,905,494	\$ -	\$ -	\$ 4,905,494
Mid Cap and Small Cap	2,090,097	-	-	2,090,097
International	4,182,601	-	-	4,182,601
Emerging Markets	1,475,514	-	-	1,475,514
Fixed Income	3,463,491	-	-	3,463,491
Low Correlated Hedge Funds	176,492	-	-	176,492
Energy Funds	1,288,036	-	-	1,288,036
Closely Held Business Stock	-	-	162,933	162,933
Multi-Strategy LLC Funds	-	-	3,173,901	3,173,901
Total Investments	<u>\$ 17,581,725</u>	<u>\$ -</u>	<u>\$ 3,336,834</u>	<u>\$ 20,918,559</u>
Short-term Investments:				
Cash and Cash Equivalents	<u>\$ 599,862</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 599,862</u>
Annuity Assets and Liabilities	<u>\$ -</u>	<u>\$ 5,534</u>	<u>\$ -</u>	<u>\$ 5,534</u>
	2019			
	Level I	Level II	NAV	Total
Mutual Funds:				
Large Cap	\$ 4,910,981	\$ -	\$ -	\$ 4,910,981
Mid Cap and Small Cap	2,161,739	-	-	2,161,739
International	4,429,292	-	-	4,429,292
Emerging Markets	1,492,079	-	-	1,492,079
Fixed Income	2,198,786	-	-	2,198,786
Floating Rate Corporate Loans	1,451,381	-	-	1,451,381
Low Correlated Hedge Funds	195,259	-	-	195,259
Master Limited Partnership	1,464,701	-	-	1,464,701
Multi-Strategy LLC Funds	-	-	2,999,950	2,999,950
Total Investments	<u>\$ 18,304,218</u>	<u>\$ -</u>	<u>\$ 2,999,950</u>	<u>\$ 21,304,168</u>
Short-term Investments:				
Cash and Cash Equivalents	<u>\$ 72,802</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 72,802</u>
Annuity Assets and Liabilities	<u>\$ -</u>	<u>\$ 8,596</u>	<u>\$ -</u>	<u>\$ 8,596</u>

**Multi-Strategy LLC Funds** – The fair value of the hedge funds is determined on a daily basis, based on the shares owned on that day and the net asset value (NAV) for that day.

Certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit the reconciliation of fair value hierarchy to the line item presented in the Statements of Financial Position.

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**CHADRON STATE FOUNDATION** (Continued)

**Note 5 – Fair Market Value Measurements** (Concluded)

The following table sets forth additional disclosures of the Foundation's investments whose fair value is estimated using net asset value per share (or its equivalent) as of June 30:

	2020 Fair Value	2019 Fair Value	Redemption Frequency
Multi-Strategy LLC Funds (a)	\$ 3,173,901	\$ 2,999,950	Daily

(a) These funds invest in pooled entities that are organized in non-U.S. jurisdictions and classified as corporations for U.S. federal income tax purposes with a goal of capital appreciation and limited variability of returns.

The Foundation measures the closely held business stock at the fair market value at the date of donation. Any changes in price or subsequent impairment are adjusted through earnings. The stock is expected to be liquidated subsequent to year-end at a price slightly greater than the amount reported. The change in value will be reported at the time of liquidation.

The Foundation measures annuity assets and liabilities based on donors' life expectancies. These assets are held by a broker that specializes in this type of investment. The broker evaluates the value quarterly. However, the Foundation is at risk of funding future annuity payments should the annuitants outlive their original contributions.

The Foundation measures pledges receivable at fair market value on a non-recurring basis using unobservable inputs. Pledges receivable are measured at fair market value based on the expected future cash flows and the creditworthiness of the donor as explained in Note 4.

In general, investments are exposed to various risks, such as interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes will occur in the near-term, and such changes could materially affect the investment balances and the amounts reported in the Statement of Financial Position.

**Note 6 – Other Assets**

Other assets include cash surrender value of life insurance for which the Foundation is named an owner and beneficiary of each policy and several charitable gift annuities.

Under charitable gift annuity contract, the Foundation receives immediate and unrestricted title to contributed assets and agrees to make fixed recurring payments over the stipulated period. Contributed assets are recorded at the fair value on the date of receipt. The related liability for future payments to be made to specified beneficiaries is recorded at fair value using present value techniques and risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the liability. The liability for future trust payments to the donor is reduced by payments made to the donor and is adjusted to reflect changes in the fair value of the liability at the end of the year. Upon termination of the annuity contract, the remaining liability is removed and recognized as income. The value of the charitable gift annuity contract was \$5,534 and \$8,596 as of June 30, 2020 and 2019, respectively.

The cash surrender value of life insurance is recorded based on estimated amounts available upon surrender of the policies. Cash surrender values of the policies were \$36,318 and \$36,318 as of June 30, 2020 and 2019, respectively.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**CHADRON STATE FOUNDATION** (Continued)

**Note 7 – Beneficial Interest in Trust and Estates**

The Foundation is the beneficiary of various trusts and estates created by donors. The carrying amounts (which are at fair value) of beneficial interests in trusts and estates are based on values provided by an external investment manager, quoted market values, or actuarial valuations. At the date the Foundation is notified of an irrevocable beneficial interest, a contribution is recorded based on the presence of donor restrictions at fair value of the underlying trust or estate assets. Thereafter, beneficial interests in trusts and estates are reported at the fair value of the trusts' assets in the statements of financial position, with trust distributions and changes in fair value recognized in the statement of activities.

The Foundation may also be designated as the beneficiary of trusts, estates, and life insurance policies which are revocable and under the control of the donor. These assets are not recorded by the Foundation until they become irrevocable.

**Note 8 – Property and Equipment**

Property and equipment at June 30 consisted of the following:

	<b>2020</b>	<b>2019</b>
Land	\$ 38,500	\$ 38,500
Office Equipment	97,097	97,096
	\$ 135,597	\$ 135,596
Less: Accumulated Depreciation	(97,067)	(96,840)
Property and Equipment, Net of Accumulated Depreciation	\$ 38,530	\$ 38,756

**Note 9 – Related Parties**

The Foundation, in the normal course of business, engages in transactions with Chadron State College. The College has been designated as the beneficiary of the Foundation. The Foundation pays all scholarships and contributions to the College's students and departments. Substantially all expenses of the Foundation directly or indirectly benefit the College.

The College also provides staff to the Foundation. The in-kind donations of employee time include services that affect all functions of the Foundation. The estimated cost to the College, or benefit to the Foundation, as a result of the College providing these in-kind staffing contributions was \$196,372 and \$176,972 for the years ended June 30, 2020 and 2019, respectively, which includes salaries and benefits.

**Note 10 – Endowment Funds**

Investments - Board-designated Endowment - As of June 30, 2020 and 2019, the Board of Directors had designated \$861,654 and \$822,652, respectively, of net assets without donor restrictions as a general quasi endowment fund to support the mission of the Foundation. Since that amount resulted from an internal designation and is not donor-restricted, it is classified and reported as net assets without donor restrictions.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**CHADRON STATE FOUNDATION** (Continued)

**Note 10 – Endowment Funds** (Continued)

Gifts assigned to a quasi endowment shall be divided into two separate fund balances. One shall be called the “Initial Fund Balance” and one shall be called the “Quasi Endowment Fund Balance.” The balance for either the Initial Fund Balance or Quasi Endowment Fund Balance shall be determined as of June 30th of each fiscal year. The annual payout from each of the fund balances shall be calculated individually as hereinafter stated:

*Initial Fund Balance* - The Initial Fund Balance for each fiscal year shall consist of the value of all contributions to a quasi endowment. The annual payout from this segment of the quasi endowment shall be set by action of the Finance Committee and ratified by the Foundation Board and shall be consistent with the long-term goal of portfolio growth and perpetual support to Chadron State College (CSC). The annual payout from this portion can be up to, but cannot exceed, 50% of the fund balance. Any remaining balance after deducting the annual payout shall be transferred by the Foundation to the Quasi Endowment Fund Balance.

*Quasi Fund Balance* - The annual payout from this segment of the endowment shall be set by action of the Finance Committee and ratified or approved by the Foundation Board consistent with the investment policy and long-term goal of portfolio growth and perpetual support of CSC. In accordance with accounting principles generally accepted in the United States of America, the Foundation Board has the discretion to allow payouts from the Corpus and principal of a Quasi Endowment Fund Balance. However, the Board has chosen by policy to treat a Quasi Endowment Fund balance as a Named Endowment and pay out accordingly. See Spending Policy below.

Investments - Donor-designated Endowments -The Foundation’s endowment consisted of approximately 360 individual funds established for a variety of purposes. Its endowment includes both donor-restricted and funds designated by the Board of Directors to function as endowments. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

***Interpretation of Relevant Law***

The Board of Directors of the Foundation has interpreted the Nebraska Uniform Prudent Management of Institutional Funds Act (NUPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions - restricted in perpetuity (a) the original value of the gifts, (b) the original value of subsequent gifts, and (c) accumulations of earnings made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as net assets with donor restrictions - restricted in perpetuity is classified as net assets with donor restrictions - restricted by time until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**CHADRON STATE FOUNDATION** (Continued)

**Note 10 – Endowment Funds** (Continued)

In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the Foundation and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Foundation
7. The investment policies of the Foundation

Endowment net assets, by type of fund, were comprised of the following as of June 30:

	<b>2020</b>	<b>2019</b>
Without Donor Restrictions	\$ 861,654	\$ 822,652
With Donor Restrictions – Restricted by Time or Purpose	1,237,750	2,367,806
With Donor Restrictions – Restricted in Perpetuity	18,975,039	18,949,548
<b>Total Funds</b>	<b>\$ 21,074,443</b>	<b>\$ 22,140,006</b>

Changes in endowment net assets as of June 30 were as follows:

		With Donor Restrictions		Total Net
		Without Donor Restrictions	Restricted by Time or Purpose	
2020				
Endowment Net Assets, Beginning of Year	\$ 822,652	\$ 2,367,806	\$ 18,949,548	\$ 22,140,006
Contributions	16,748	-	309,774	326,522
Investment Return (Loss)	(24,889)	(317,139)	-	(342,028)
Transfers	89,342	(4,196)	(284,283)	(199,137)
Management Fees	(19,082)	(358,684)	-	(377,766)
Amounts Appropriated for Expenditures	(23,117)	(450,037)	-	(473,154)
<b>Endowment Net Assets, End of Year</b>	<b>\$ 861,654</b>	<b>\$ 1,237,750</b>	<b>\$ 18,975,039</b>	<b>\$ 21,074,443</b>
2019				
Endowment Net Assets, Beginning of Year	\$ 841,044	\$ 2,409,815	\$ 17,569,995	\$ 20,820,854
Contributions	25,331	-	1,354,004	1,379,335
Investment Return	39,767	718,949	-	758,716
Transfers	(44,174)	1,140	25,549	(17,485)
Management Fees	(17,646)	(345,314)	-	(362,960)
Amounts Appropriated for Expenditures	(21,670)	(416,784)	-	(438,454)
<b>Endowment Net Assets, End of Year</b>	<b>\$ 822,652</b>	<b>\$ 2,367,806</b>	<b>\$ 18,949,548</b>	<b>\$ 22,140,006</b>

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**CHADRON STATE FOUNDATION** (Continued)

**Note 10 – Endowment Funds** (Concluded)

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). We have interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. At June 30, 2020 and 2019, funds with donor restrictions reported no deficiencies.

The Foundation has adopted investment and spending policies for endowment assets that seek to preserve its real (inflation-adjusted) purchasing power while providing a relatively predictable, stable, and constant (in real terms) stream of earnings consistent with prudent risk limits and the Foundation's spending needs. The Foundation's spending and investment policies work together to achieve this objective. Actual returns in any given year may vary from this amount.

***Strategies Employed for Achieving Objectives***

The Foundation has adopted investment and spending policies, approved by the Board of Directors, for the endowment assets that attempt to provide long-term support to CSC. Accordingly, the investment philosophy of the Foundation is based on a disciplined, consistent, and diversified approach utilizing multiple asset classes and allows for multiple managers. Their intent is to accommodate styles and strategies considered reasonable and prudent. The Foundation has established long-term rates of return, downside risk parameters and asset allocation ranges for each portfolio. If the total return objective is not achieved over a particular measurement period, the shortfall should be explainable in terms of general economic and capital market conditions. A temporary shortfall will not necessarily indicate failure to achieve the long-term objective. An important objective of the Foundation Board of Directors is to create an investment and spending program that allows for growth of the portfolio balance.

***Spending Policy and How the Investment Objectives Relate to the Spending Policy***

Distributions from Named Endowment are to be according to the Foundation's Endowment policies. Grant levels are based on the weighted average fund balance, using the adjusted pool of awarding endowments during the past three (3) fiscal years. The distribution approved by the Foundation Board shall not exceed five percent (5.0%) of the weighted average fund balance. Distribution from any individual endowment shall be according to restrictions within that controlling endowment. Distributions from the Quasi Endowment shall be according to its controlling restrictions. In establishing this policy, the Foundation considered the long-term expected return on its investment assets, the nature and duration of the individual endowment funds, many of which must be maintained in perpetuity because of donor-restrictions, and the possible effects of inflation.

**Note 11 – Net Assets with Donor Restrictions**

Net assets restricted by time or purpose are available for the following purposes or periods, as of June 30:

	2020	2019
Scholarships and College Use	\$ 2,562,456	\$ 4,534,826

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**CHADRON STATE FOUNDATION** (Continued)

**Note 11 – Net Assets with Donor Restrictions** (Concluded)

Net assets were released from donor restrictions by incurring expenses satisfying the purpose or time restrictions specified by donors as follows for the year ended June 30:

	2020	2019
Purpose Restriction Accomplished:		
Scholarships	\$ 563,468	\$ 556,832
College Use	1,647,597	1,227,778
Management Fees	384,182	368,587
Total Restrictions Released	\$ 2,595,247	\$ 2,153,197

Net assets with donor restrictions, restricted in perpetuity, consist of endowment funds which are to be held indefinitely (see Note 10). The earnings from the related assets can be used to support the Foundation's scholarship, award, and grant activities.

**Note 12 – Defined Contribution Plan**

The Foundation participates in the College's defined contribution plan (the Plan) covering all employees with at least three years of service who agree to make contributions to the Plan. Employees may enroll in the Plan if they are employed full time for 9 out of 12 months of the year. Participation in the Plan is voluntary for employees who are 25 years of age and have been employed at least two years by the Foundation. Participation in the Plan is mandatory for employees over the age of 30. Employees contribute 6% of their salary, and the College contributes 8%. Total expenses for the years ended June 30, 2020 and 2019, were \$23,753 and \$25,220, respectively.

**Note 13 – Commitments**

In 2013, the Board of Directors designated \$529,000 from the CSC Quasi Endowment plus \$471,000 of earnings from the Chicoine Fund to provide the additional \$1 million for the naming of the Chicoine athletic complex. As the Chicoine Fund generates earnings, the CSC Quasi Endowment will be replenished. As of June 30, 2020, \$313,700 has been paid back to the CSC Quasi Endowment.

In August 2015, the Foundation committed to provide the College with \$2 million for the Math & Science building renovation. As of June 30, 2020, the Foundation had provided \$1.26 million in funds to the College for this project. No funds were provided to the College during the year ended June 30, 2020.

In May 2016, the Foundation committed \$1 million toward the renovation of the football stadium. For the years ended June 30, 2020 and 2019, the Foundation had provided \$250,000 and \$850,000, respectively, to the College for the renovations. Funds in excess of the original commitment were raised and subsequently provided to the College for the project.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**CHADRON STATE FOUNDATION (Concluded)**

**Note 14 – Contingencies**

In March 2020, the World Health Organization declared the outbreak of the novel coronavirus (COVID-19) as a pandemic. Due to the pandemic, many local and state governments had declared a state of emergency. It is anticipated that the pandemic will continue for some time, and the impacts are not known. There may be impacts on the investment earnings of the Foundation and the need for students attending Chadron State College. The financial impact and duration of the pandemic cannot be reasonably estimated at this time.

**Note 15 – Emerging Accounting Standards**

In February 2016, the FASB issued (ASU) 2016-02, Leases. This ASU affects any entity that enters into a lease, with some specified scope exemptions. The main difference between previous GAAP and this ASU is the recognition of lease assets and lease liabilities by lessees for those leases classified as operating leases under previous GAAP. Nonpublic business entities should apply the amendments for fiscal years beginning after December 15, 2021. The Foundation has not yet implemented this ASU and is in the process of assessing the effect on the Organization's financial statements.

**Note 16 – Subsequent Events**

Subsequent events were evaluated through the date of the independent auditor's report, which is the date the financial statements were available to be issued.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**PERU STATE COLLEGE FOUNDATION**

**Note A – Summary of Significant Accounting Policies**

The following is a summary of the significant accounting policies of the Peru State College Foundation (the Foundation).

***Nature of the Organization***

The Foundation is a nonprofit organization incorporated in the State of Nebraska. The purpose of the Foundation is to operate as a charitable and educational foundation for the promotion and support of Peru State College (the College) and its students. The Foundation is governed by a self-perpetuating Board of Directors consisting of volunteer board appointed members, some of whom are significant donors to the Foundation. The Foundation is considered a component unit of Peru State College; therefore, the Foundation's net assets and results of operations are included as a component unit in the Peru State College financial statements.

***Basis of Accounting***

The financial statements have been prepared on the accrual basis of accounting, which is a basis of accounting generally accepted in the United States of America. Revenues are recorded when earned, and expenses are recorded when incurred.

***Use of Estimates***

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from the estimates and assumptions used in preparing the financial statements.

***Financial Statement Presentation***

The Foundation reports information regarding its financial position and activities according to the following two classes of net assets:

- a. Net assets without donor restrictions are assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation. These net assets may be used at the discretion of the Foundation's management and the board of directors. A board-designated endowment, which results from an internal designation, is generally not donor-restricted and is classified as net assets without donor restrictions. The governing board has the right to decide at any time to expend such funds.
- b. Net assets with donor restrictions are assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. Some donor-imposed restrictions impose limits that are permanent.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**PERU STATE COLLEGE FOUNDATION** (Continued)

**Note A – Summary of Significant Accounting Policies** (Continued)

*Cash and Cash Equivalents*

For the purpose of the statement of cash flows, the Foundation considers highly liquid investments with an initial maturity of three months or less to be cash equivalents. Cash and cash equivalents designated for long-term purposes or received with donor-imposed restrictions limiting their use to long-term purposes are not considered cash or cash equivalents for purposes of the statement of cash flows.

*Receivables*

Accounts receivable consists primarily of amounts due from third party contracts and stated as unpaid balances. Management considers all receivables to be fully collectable; therefore, no allowance for doubtful accounts has been established. In management's opinion, the carrying value of all receivables approximates fair value.

*Promises-to-Give*

Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in the appropriate category of net assets. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Promises to give are considered by management to be fully collectible, therefore, no allowance for doubtful accounts is provided. All promises are deemed by management to be receivable within one year.

*Endowments and Investments*

The Foundation's investments in Bridges Investment Management, Inc. are valued at Level 1 of the hierarchy of investment valuation, see Note C. Unrealized gains and losses are included in the statement of activities as a change in net assets without donor restrictions.

The Foundation pools its investments for greater flexibility in managing those investments. When investments are pooled, they lose their specific identification with specific contributions. Thus, the income and unrealized and realized gains and losses are allocated to the pool participants using the market value method. The market value method assigns a number of units to each pool participant based on the relationship of the individual investment to the total investments at the time the investments are pooled.

The Foundation follows the guidance of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) in accounting for endowed assets. UPMIFA permits, subject to donor intent, appropriation for prudent expenditures as determined by the Foundation for the uses, benefits, purposes, and duration of the established endowment fund. The Foundation has determined that maintaining the historical endowed value is prudent for the use of the funds and any appreciation of the endowment is available for use. The amount of the net appreciation is reported as increases in net assets without donor restrictions in the statement of activities. Net depreciation in donor-restricted endowments is reimbursed from net assets without donor restrictions as necessary to replenish the endowment fund to its historic dollar value as established by the Foundation.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**PERU STATE COLLEGE FOUNDATION** (Continued)

**Note A – Summary of Significant Accounting Policies** (Continued)

The Foundation has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while maintaining the purchasing power of these endowment assets over the long-term. The Foundation's spending and investment policies work together to achieve this objective. The investment policy establishes an achievable return objective through diversification of asset classes. The current long-term return objective is to return 6.5%, net of management fees. Actual returns in any given year may vary from this amount. To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places an emphasis on equity-based investments and fixed income investments to achieve its long-term return objectives within prudent risk parameters.

The spending policy calculates the amount of money annually distributed from the Foundation's various endowed funds, for scholarships and administration. The current spending policy is to distribute an amount at least equal to 4% of a moving four-year average of the fair value of the endowment funds. Accordingly, over the long-term, the Foundation expects its current spending policy to allow its endowment assets to grow at an average rate of 2.5% annually. This is consistent with the Foundation's objective to maintain the purchasing power of endowment assets as well as to provide additional real growth through investment return.

***Property and Equipment***

The Foundation capitalizes all additions, renewals, and betterments at cost, whereas expenditures for maintenance and repairs are expensed as incurred.

Depreciation and amortization is computed over the estimated useful lives of the assets using the straight-line method. Estimated useful lives of the assets are:

Office furniture and fixtures	3 - 7 years
Vehicles	5 years

Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the asset to a specific purpose.

***Revenues and Other Support***

Annual campaign contributions are generally available to use without donor restrictions for the related campaign year unless specifically restricted by the donor.

Grants and other contributions of cash and other assets are recorded with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When donor restrictions expire, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions received with donor restrictions that are met in the same reporting period are reported as an increase in net assets without donor restrictions.

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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**PERU STATE COLLEGE FOUNDATION** (Continued)

**Note A – Summary of Significant Accounting Policies** (Continued)

Endowment contributions and investments are permanently restricted by the donor and are included in net assets with donor restrictions. Investment earnings available for distribution are recorded as net assets without donor restrictions. Investment earnings with donor restrictions are recorded as net assets with donor restrictions based on the nature of the restrictions.

Contributions of donated noncash assets are recorded at their estimated fair values in the period received.

***Functional Expenses***

Directly identifiable expenses are charged to program and supporting services; management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Foundation.

***Income Taxes***

The Foundation is an organization exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. The Foundation is not identified by the Internal Revenue Service as a private foundation.

Management evaluated the Foundation's tax positions, including unrelated business income, and concluded that the Foundation had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance.

***Fair Value of Financial Instruments***

The carrying amounts of cash and cash equivalents, investments, unconditional promises to give, student loans, notes receivable, accounts payable, accrued expenses, and the long-term liabilities approximate fair value.

***Change in Accounting Principle***

The FASB issued ASU No. 2014-09, Revenue from Contracts with Customers. This new revenue recognition standard affects all entities, public, private, not-for-profit, that have contracts with customers, except where there is other specific revenue recognition guidance previously issued by FASB. This new revenue recognition standard effectively eliminates the transaction-and industry specific revenue recognition guidance under current GAAP and replaces it with the principle-based approach for determining an entity's revenue recognition policies. The core principle of the revenue recognition standard is that an entity should recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The Foundation has adopted FASB Update 2018-08, Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. This ASU includes specific criteria to consider when determining whether a contract or agreement should be accounted for as a contribution or as an exchange transaction. It also provides a framework for determining whether a contribution is conditional or unconditional which will impact the timing of revenue recognition.

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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**PERU STATE COLLEGE FOUNDATION** (Continued)

**Note A – Summary of Significant Accounting Policies** (Concluded)

The Foundation has adopted FASB Update 2016-18, *Restricted Cash*. The update addresses classification and presentation of changes in restricted cash on the statement of cash flows. ASU 2016-18 requires an entity's reconciliation of the beginning-of-period and end-of-period total amounts shown on the statement of cash flows to include in cash and cash equivalents amounts generally described as restricted cash and restricted cash equivalents. The Foundation adopted ASU 2016-18 for the fiscal year ended December 31, 2019 and 2018, using a retrospective transition method for each period presented. This adoption did not have a significant impact on the Foundation's financial statements.

**Note B – Concentration of Credit Risk**

The Foundation maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC insured) up to \$250,000. The Foundation has not experienced any loss in such accounts. As of December 31, 2019, the uninsured balance is \$206,869. The Foundation believes it is not exposed to any significant credit risk on its cash balances.

**Note C – Investments**

The Foundation's investments at December 31, 2019, consist of the following:

	Cost	Gross Unrealized Gain	Fair Market Value
CASH AND EQUIVALENTS	\$ 244,530	\$ -	\$ 244,530
CORPORATE BONDS	695,459	13,355	708,814
COMMON STOCK	3,269,096	410,849	3,679,945
MUTUAL FUNDS	10,810,139	1,033,049	11,843,188
	<u>\$ 15,019,223</u>	<u>\$ 1,457,253</u>	<u>\$ 16,476,476</u>

The Foundation's investments at December 31, 2018, consist of the following:

	Cost	Gross Unrealized Gain	Fair Market Value
CASH AND EQUIVALENTS	\$ 584,049	\$ -	\$ 584,049
CORPORATE BONDS	1,075,187	295	1,075,482
COMMON STOCK	2,912,501	(164,173)	2,748,327
MUTUAL FUNDS	8,667,577	(560,453)	8,107,125
	<u>\$ 13,239,315</u>	<u>\$ (724,331)</u>	<u>\$ 12,514,983</u>

Investment expense which consists of management fees totaled \$43,041 and \$77,645 for the years ended December 31, 2019 and 2018, respectively.

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**PERU STATE COLLEGE FOUNDATION** (Continued)

**Note C – Investments** (Concluded)

Current requirements for fair value measurements establish a hierarchy that prioritizes the inputs to the valuation techniques used. The hierarchy gives the highest priority to unadjusted observable quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable.

Level 3 – Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

**Note D – Note Receivable**

The Foundation's note receivable consists of the following at December 31:

	2019	2018
The Foundation entered into a purchase lease with the College, whereby the College leased the Al Wheeler Activity Center Renovation for 12 years, payable at \$25,871 per year including interest at 3.5%. The College has the option to purchase the Remodel at the end of the lease term for \$10.	\$ -	\$ 24,996
Current portion of note receivable	-	24,996
Long term receivable less current portion	\$ -	\$ -

As of December 31, 2018, the College exercised its option to purchase the Remodel.

**Note E – Refundable Deposits**

Beginning in 2003, the Peru Booster Club had entered into intermediary agreements with the Foundation. Funds are held in a cash account by the Foundation as an agent of the organization to be disbursed at their request. The funds are not owned by the Foundation and are not pooled with the Foundation's investments. The liability included in the accompanying statements of financial position represents the amount due to this entity totaling \$13,468 and \$18,022 as of December 31, 2019 and 2018, respectively.

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**PERU STATE COLLEGE FOUNDATION** (Continued)

**Note F – Notes Payable**

At December 31, 2019 and 2018, the Foundation had a short-term bank loan that bears interest at 4.00% with balances of \$0 and \$59,102, respectively. The loan was paid off in December 2019 with cash interest paid of \$2,706. Included in the balance paid off in 2019 was \$35,462 of interest accrued over the life of the loan.

**Note G – Net Assets**

The following net assets amounts represent amounts that are without donor restrictions, board-designated, or are with donor restrictions.

Net assets without donor restrictions and board-designated net assets at December 31, are available for the following:

	<b>2019</b>	<b>Restated 2018</b>
Unrestricted	\$ 1,589,854	\$ 1,669,477
Board Designated		
For scholarships	600,620	600,620
For work stipends	448,438	463,422
For campus improvements	5,500	5,500
Total net assets without donor restrictions	<u>\$ 2,644,412</u>	<u>\$ 2,739,019</u>

Net assets with donor restrictions at December 31, are available for the following uses:

	<b>2019</b>	<b>Restated 2018</b>
Perpetual endowment	\$ 12,384,373	\$ 8,775,366
For scholarships	1,366,878	719,325
For education and athletic departments	1,047,820	1,061,958
Promise to give - renovation	351,467	350,217
Total net assets with donor restrictions	<u>\$ 15,150,538</u>	<u>\$ 10,906,866</u>

Net assets with donor restrictions consist of endowment fund assets held indefinitely. The income from the assets is used for scholarships and to support the Foundation. Amounts appropriated for scholarships in 2019 and 2018 amounted to \$153,107 and \$300,716, respectively.

Net assets were released from donor restrictions by incurring expenses satisfying the purpose of the restrictions specified by donors, as follows:

	<b>2019</b>	<b>2018</b>
Purpose restriction accomplished:		
Scholarships	\$ 157,872	\$ 357,434
Departmental and athletic gifts to College	31,865	94,227
Oakbowl / Theater renovations & fundraising	125,449	22,986
	<u>\$ 315,186</u>	<u>\$ 474,647</u>

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**PERU STATE COLLEGE FOUNDATION** (Continued)

**Note H – Availability and Liquidity**

The Foundation regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Foundation has various sources of liquidity at its disposal, including cash and cash equivalents. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Foundation considers all expenditures related to its ongoing activities of program services, as well as, to support those activities to be general expenditures.

In addition to financial assets available to meet general expenditures over the next 12 months, the Foundation operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

As of December 31, 2019 and 2018, the following tables show the total financial assets held by the Foundation and the amounts of those financial assets that could readily be made available within one year of the balance sheet date to meet general expenditures:

	<b>2019</b>	<b>Restated 2018</b>
Financial Assets at yearend:		
Cash and cash equivalents	\$ 591,452	\$ 589,476
Cash Investments	244,530	584,049
Pledge receivable	-	3,899
Interest receivable	1,086	1,348
Unconditional promises to give	194,405	293,157
Note receivable	-	24,996
Investments convertible to cash in the next 12 months	16,231,946	11,930,934
	\$ 17,263,419	\$ 13,427,859
Less amounts not available to be used over the next 12 months:		
Board designated funds	\$ (1,054,558)	\$ (1,069,542)
Donor restriction on purpose	(15,150,538)	(10,906,866)
Financial assets available to meet general expenditures over the next 12 months:	\$ 1,058,323	\$ 1,451,451

**Note I – Endowment Funds**

Appreciation of endowed assets included in investments at December 31, are as follows:

	<b>2019</b>	<b>Restated 2018</b>
Fair value of endowed assets	\$ 14,956,133	\$ 10,906,866
Remaining principle balance	(9,682,283)	(7,514,290)
Net appreciation - endowed assets	\$ 5,273,850	\$ 3,392,576

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**PERU STATE COLLEGE FOUNDATION** (Continued)

**Note I – Endowment Funds** (Continued)

The Foundation's endowment funds consist of both donor-restricted endowment funds and funds designated by the Board to function as an endowment. As required by generally accepted accounting principles, net assets and the changes therein associated with endowment funds, including fund designations by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Nebraska Uniform Prudent Management of Institutional Funds Act (NUPMIFA) was enacted April 4, 2007. NUPMIFA sets out guidelines to be considered when managing and investing donor restricted endowment funds. The Foundation has interpreted NUPMIFA as requiring the preservation of the whole dollar value of the original gift as of the gift date of donor-restricted endowment funds absent explicit donor stipulations to the contrary.

As a result, the Foundation classifies as net assets with donor restrictions the original value of gifts donated to the permanent endowment and the original value of subsequent gifts to the permanent endowment. Interest, dividends, and net appreciation of the donor-restricted endowment funds are classified according to donor stipulations, if any. Absent any donor-imposed restrictions, interest, dividends, and net appreciation (depreciation) of donor-restricted endowment funds is classified as net assets without donor restrictions.

In accordance with NUPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the endowment fund;
2. The purposes of the Foundation and the donor-restricted endowment fund;
3. General economic conditions;
4. The possible effect of inflation or deflation;
5. The expected total return from income and the appreciation of investments;
6. Other resources of the Foundation; and
7. The investment policy of the Foundation.

***Investment Return Objectives, Risk Parameters and Strategies***

The Foundation has adopted investment and spending policies, approved by the Foundation's Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk.

Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return. Therefore, the Foundation expects its endowment assets, over time, to produce an average rate of return in excess of amounts distributed annually. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**PERU STATE COLLEGE FOUNDATION** (Continued)

**Note I – Endowment Funds** (Concluded)

***Spending Policy***

The Foundation has a policy for appropriating for distribution each year a portion of its endowment fund. In establishing this policy, the Foundation considered the long-term expected return on its investment assets, the nature and duration of the individual endowment funds, some of which must be maintained in perpetuity because of donor-restrictions, and the possible effects of inflation.

**Note J – Related Party Transactions**

The Foundation incurs various expenses with the College throughout the year, such as payroll reimbursements, gifts, and other departmental expenses. The following is a summary of transactions with the College for the years ended December 31:

	<b>2019</b>	<b>2018</b>
Salary and wage reimbursement	\$ 454,093	\$ 434,209
Gifts and campus improvements	192,146	82,113
Departmental expenses	102,913	112,753
	\$ 749,152	\$ 629,075

The Foundation owed the College for salary and wage expenses paid to its employees by the College in the amount of \$0 and \$35,909 at December 31, 2019 and 2018, respectively.

**Note K – Retirement Plan**

The College sponsors a defined contribution retirement pension plan, Teachers Insurance and Annuity Association/College Retirement Equities Fund (TIAA/CREF), in which the Foundation's employees are allowed to participate. The plan covers all employees upon attaining 30 years of age and having two years of college service. Employee contributions are limited to 6% of gross salary. The Foundation reimburses the College for the retirement fund contributions along with the salary reimbursements. The Foundation's contributions to the plan totaled \$26,485 and \$24,883 for the years ended December 31, 2019 and 2018, respectively, and is included in salaries and wages on the statement of functional expenses.

**Note L – Concentrations**

During 2019, the Foundation received approximately 79% of its contributions from six (6) individuals/estates. During 2018, the Foundation received approximately 46% of its contributions from five (5) individuals/estates.

**Note M – Commitments**

***Construction Contracts***

The Foundation has approximate remaining construction commitments of \$538,342 and \$825,791 as of December 31, 2019 and 2018, respectively. These projects will be funded through contributions to the Foundation, which have been restricted for these purposes. Construction Commitments are identified by the Foundation, as follows:

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**PERU STATE COLLEGE FOUNDATION** (Concluded)

**Note M – Commitments** (Concluded)

	<u>2019</u>	<u>2018</u>
Fieldhouse	\$ 12,148	\$ 100,000
Office renovation	-	162,000
Theater	526,194	563,791
Total	<u>\$ 538,342</u>	<u>\$ 825,791</u>

**Note N – Prior Period Adjustment – Correction of an Error**

The accompanying financial statements have been restated to correct an error made in prior years. The error relates to an overstatement of net assets without donor restrictions due to the allocation methodology of investment income and calculation of management fees earned by the Foundation. The effect of the restatement was to decrease net asset without donor restrictions and increase net assets with donor restrictions by \$1,728,881. Additionally, on the restated Statement of activities, the net investment income was changed to reflect the appropriate allocation of net investment income and the management fees earned by the foundation. This correction resulted in an increase of net assets without donor restrictions and a decrease in net assets with donor restrictions by \$999,717.

**Note O – Subsequent Events**

The Foundation's operations are heavily dependent on private and public donations from individuals and foundations. The COVID-19 outbreak may have a continued material impact on economic conditions, triggering a period of global economic slowdown. This situation may depress donations during fiscal year 2020 and may negatively impact our ability to provide scholarship opportunities to students of Peru State College. Management evaluated all activity of Peru State College Foundation through October 16, 2020, (the date the financial statements are available for issuance) and concluded that no other subsequent events have occurred that would require recognition in the audited financial statements of disclosure in the related notes to the financial statements.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**WAYNE STATE FOUNDATION**

The Wayne State Foundation (the Foundation) is an independent, non-profit corporation established for the sole purpose of securing private gifts for the benefit and promotion of Wayne State College (the College). The Foundation receives contributions from various contributors and provides funding to the College to assist in fulfilling its mission of educating students. Examples of initiatives funded by the Foundation include scholarships, capital improvements, faculty grants, equipment, and athletic programs. The Foundation funds and publishes, in cooperation with the College, the *Wayne State Magazine* and other communications sent to alumni and friends.

**Note A – Summary of Significant Accounting Policies**

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

**Method of Accounting.** The accompanying financial statements of the Foundation have been prepared on the accrual method of accounting.

**Cash and Cash Equivalents.** For the purpose of the statements of financial position, the Foundation considers all unrestricted highly liquid investments with an initial maturity of three months or less to be temporary cash investments.

**Investments.** Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets. Donated securities are recorded as contributions equal to the fair market value of the securities at the date of gift.

**Property and Equipment and Depreciation.** Property and equipment are carried at cost, if purchased, and at fair market value at the date of contribution, if received by donation, less accumulated depreciation. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated useful lives computed primarily on the straight-line method. It is the Foundation's policy to capitalize property and equipment over \$2,500. Buildings and improvements are depreciated over estimated lives of 26 to 40 years. Furniture, fixtures and equipment are depreciated over estimated lives of ten years.

**Promise to Give.** Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Those expected to be collected in future years are recorded at present value of estimated future cash flows. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promise becomes unconditional.

**Net Asset Classification.** Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

**Without donor restrictions.** Net assets available for use in general operations and not subject to donor or grantor restrictions. The governing board has designated, from net assets without donor restrictions, board-designated endowments.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**WAYNE STATE FOUNDATION** (Continued)

**Note A – Summary of Significant Accounting Policies** (Continued)

**With donor restrictions.** Net assets subject to donor- or grantor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both, and are reported in the statements of activities as net assets released from restrictions.

**Fair Value Measurement.** The FASB has issued guidance defining fair value, establishing a framework for measuring fair value, and expanding disclosures about fair value measurements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Foundation utilizes a fair value hierarchy to prioritize the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

- Level 1     Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.
- Level 2     Inputs to the valuation methodology include:
- quoted prices for similar assets or liabilities in active markets;
  - quoted prices for identical or similar assets or liabilities in inactive markets;
  - inputs other than quoted prices that are observable for the asset or liability;
  - inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

- Level 3     Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

**Revenue Recognition.** Contributions are recognized when a donor makes a promise to give that is, in substance, unconditional. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. The Foundation has not received any conditional contributions.

**Functional Expenses.** The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include personnel and office expenses which are allocated on the basis of time and effort.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**WAYNE STATE FOUNDATION** (Continued)

**Note A – Summary of Significant Accounting Policies** (Concluded)

**Income Taxes.** The Foundation is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code. As such, income earned in the performance of the Foundation's exempt purpose is not subject to income tax. Any income earned through unrelated business activities is subject to income tax at normal corporate rates. For the years ended June 30, 2020 and 2019, the Foundation had no tax liability on unrelated business activity. The Foundation believes that it has appropriate support for any tax positions taken and, as such, does not have any uncertain tax positions that are material to the financial statements. The Foundation's Federal Exempt Organization Business Income Tax Returns (Form 990) for June 30, 2020, 2019, and 2018, are subject to examination by the Internal Revenue Service (IRS), generally for three years after they were filed.

**Use of Estimates.** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Note B – Unconditional Promises to Give and Receivables**

Unconditional promises to give consist of donor pledges due in the following periods:

	<u>2020</u>	<u>2019</u>
Less than one year	\$ 8,000	\$ 8,500
One to two years	492,142	399,225
Two to three years	705,290	389,375
Three to four years	624,375	375,375
Four to five years	286,000	375,375
More than five years	26,800	47,000
	<u>2,142,607</u>	<u>1,594,850</u>
Less discount to present value (4%)	<u>(188,670)</u>	<u>(150,793)</u>
	<u>\$ 1,953,937</u>	<u>\$ 1,444,057</u>

**Note C – Fair Value of Assets and Liabilities**

Following is a description of the valuation methodologies used for assets and liabilities measured at fair value. There have been no changes in methodologies used during the years ended June 30, 2020 and 2019.

*Commonfund Group funds:* Valued at the observable net asset value (NAV) of shares held by the Foundation at year end.

*Mutual funds:* Valued at the observable net asset value (NAV) of shares held by the Foundation at year end.

*Private company stock:* Valued based on redemption price for the same security.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**WAYNE STATE FOUNDATION** (Continued)

**Note C – Fair Value of Assets and Liabilities** (Continued)

*Unconditional promises to give:* Valued using the estimated present value of future cash flows at historical discount rates (4%).

*Annuity agreements:* Valued using the estimated present value of the annuity obligation. The discount rate used varied from 1.7% to 6.6% and 1.2% to 9.6% for the years ended June 30, 2020 and 2019, respectively.

The following table sets forth the balances of assets and liabilities measured at fair value on a recurring basis at June 30, 2020.

<u>June 30, 2020</u>	<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Money market and certificates of deposit	\$ 1,980,201	\$ 17,562	\$ 1,962,639	\$ -
Investments				
Commonfund Group Funds				
U.S. equity	12,589,181	-	12,589,181	-
International equity	5,237,745	-	5,237,745	-
Emerging markets equity	1,652,147	-	1,652,147	-
Fixed income	7,038,215	-	7,038,215	-
Mutual funds				
U.S. equity	645,862	645,862	-	-
International equity	123,073	123,073	-	-
Emerging markets equity	20,392	20,392	-	-
Fixed income	247,930	247,930	-	-
Private company stock	108,988	-	-	108,988
Total investments	<u>\$ 29,643,734</u>	<u>\$ 1,054,819</u>	<u>\$ 28,479,927</u>	<u>\$ 108,988</u>
Unconditional promises to give receivable	<u>\$ 1,953,937</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,953,937</u>
Annuities payable	<u>\$ 272,368</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 272,368</u>

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**WAYNE STATE FOUNDATION** (Continued)

**Note C – Fair Value of Assets and Liabilities** (Continued)

The following table sets forth the balances of assets and liabilities measured at fair value on a recurring basis at June 30, 2019.

<u>June 30, 2019</u>	<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Money market and certificates of deposit	\$ 1,561,808	\$ 48,311	\$ 1,513,497	\$ -
Investments				
Commonfund Group Funds				
U.S. equity	13,024,371	-	13,024,371	-
International equity	4,928,356	-	4,928,356	-
Emerging markets equity	1,551,650	-	1,551,650	-
Fixed income	7,261,818	-	7,261,818	-
Mutual funds				
U.S. equity	616,345	616,345	-	-
International equity	129,952	129,952	-	-
Emerging markets equity	21,293	21,293	-	-
Fixed income	279,286	279,286	-	-
Private company stock	108,988	-	-	108,988
Total investments	<u>\$ 29,483,867</u>	<u>\$ 1,095,187</u>	<u>\$ 28,279,692</u>	<u>\$ 108,988</u>
Unconditional promises to give receivable	<u>\$ 1,444,057</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,444,057</u>
Annuities payable	<u>\$ 287,686</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 287,686</u>

The following table sets forth a summary of changes in the fair value of the Foundation's level 3 assets for the year ended June 30, 2020.

<u>June 30, 2020</u>	<u>Unconditional Promises to Give</u>	<u>Annuities Payable</u>	<u>Private Company Stock</u>
Beginning balance	\$ 1,444,057	\$ 287,686	\$ 108,988
Unconditional promises to give received during the year	1,604,000	-	-
Unconditional promise to give collected during the year	(1,056,243)	-	-
Change in discount of unconditional promises to give	(37,877)	-	-
Payments on annuity contracts	-	(97,437)	-
Amortization of annuity obligations	-	82,119	-
Ending balance	<u>\$ 1,953,937</u>	<u>\$ 272,368</u>	<u>\$ 108,988</u>

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**WAYNE STATE FOUNDATION** (Continued)

**Note C – Fair Value of Assets and Liabilities** (Concluded)

The following table sets forth a summary of changes in the fair value of the Foundation's level 3 assets for the year ended June 30, 2019.

<u>June 30, 2019</u>	Unconditional Promises to Give	Annuities Payable	Private Company Stock
Beginning balance	\$ 728,791	\$ 302,915	\$ 8,988
Contributions	-	-	100,000
Unconditional promises to give received during the year	1,508,484	-	-
Unconditional promise to give collected during the year	(706,413)	-	-
Change in discount of unconditional promises to give	(82,105)	-	-
Payments on annuity contracts	-	(98,297)	-
Amortization of annuity obligations	-	83,068	-
Unconditional promises to give written-off during the year	(4,700)	-	-
Ending balance	<u>\$ 1,444,057</u>	<u>\$ 287,686</u>	<u>\$ 108,988</u>

The net unrealized and realized gains and losses are included in investment performance on the statements of activities.

**Note D – Property and Equipment**

Property and equipment consist of:

	<u>2020</u>	<u>2019</u>
Land	\$ 37,000	\$ 37,000
Buildings and improvements	313,018	313,018
Furniture, fixtures and equipment	10,713	10,713
	<u>360,731</u>	<u>360,731</u>
Less accumulated depreciation	(84,088)	(74,883)
	<u>\$ 276,643</u>	<u>\$ 285,848</u>

Depreciation expense for the years ended June 30, 2020 and 2019, was \$9,205 and \$5,198, respectively.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**WAYNE STATE FOUNDATION (Continued)**

**Note E – Split Interest Agreements**

The Foundation has entered into irrevocable agreements (split-interest agreements) with donors where, in exchange for a gift from the donor, the Foundation provides an annuity to the donor or other designated beneficiaries for a specific period of time, usually the life of the donor.

A liability is recognized for the estimated present value of the annuity obligation, and the contributed assets are recorded at their gross market value. The discount rate and actuarial assumptions used in calculating the annuity obligation are those provided in IRS guidelines and actuarial tables. The discount rate used varied from 1.7% to 6.6% and 1.2% to 9.6% for the years ended June 30, 2020 and 2019, respectively. The amount of the liability is adjusted annually in accordance with the IRS actuarial tables, and a gain or loss is recorded to reflect the change in value.

There were no new contributions for the years ended June 30, 2020 and 2019.

Assets and liabilities of the Foundation, as derived from split-interest agreements, are as follows:

	2020	2019
Assets invested in securities	\$ 573,024	\$ 654,670
Annuities payable	\$ 272,368	\$ 287,686

**Note F – Net Assets**

Net assets without donor restrictions have been designated by the governing board as follows:

Board designated:		
Quasi-endowment to support general activities	\$ 161,129	\$ 437,248

Net assets with donor restrictions comprise the following:

Subject to the passage of time:		
Promises to give that are not restricted by donors, but which are unavailable for expenditure until received	\$ 102,455	\$ 26,390
Subject to the purpose restrictions:		
College departments	689,294	475,163
Renovation projects	897,355	982,010
Scholarships	8,201,738	7,516,401
Other designated programs	36,323	16,037
Subject to the perpetual restrictions:		
Assets held under split-interest agreements and other	157,526	216,819
Interest in perpetual trust	916,627	952,317
Permanent endowments and promises to fund permanent endowments	19,243,796	18,076,802
	\$ 30,245,114	\$ 28,261,939

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**WAYNE STATE FOUNDATION (Continued)**

**Note G – Endowments**

The Executive Committee of the Foundation has interpreted the Nebraska Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies the original value of gifts donated as permanent endowments.

In accordance with UPMIFA, the Foundation considers the following factors in making the determination to appropriate or accumulate donor-restricted endowment funds:

- 1) The duration and preservation of the fund
- 2) The purposes of the Foundation and the donor-restricted endowment fund
- 3) General economic conditions
- 4) The possible effect of inflation and deflation
- 5) The expected total return from income and the appreciation of investments
- 6) Other resources of the Foundation
- 7) The investment policies of the Foundation

**Endowment Investment and Spending Policies.** The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while seeking to maintain the purchasing power of the endowment assets. The Foundation's investment and spending policies, which have been approved by the Foundation's Executive Committee, work together to achieve this objective. The investment policy establishes an achievable return objective through diversification of asset classes, which includes debt and equity securities. The current investment objective is to achieve a total return (net of inflation and expenses) that is at least as great as the spending supported by the portfolio, so that the purchasing power of the portfolio does not decline over time.

The spending policy determines the amount of money distributable from the Foundation's various endowment funds for grant making. The spending rate allows for distribution of 6% for the year ended June 30, 2020, and 6% for the year ended June 30, 2019, of the endowment fund's average fair value of the prior three years through June 30 of the preceding fiscal year in which the distribution is planned. The Foundation may, at its discretion, set a lower payout rate which appears in line with the current yield from investment and general economic conditions. In establishing this policy, the Foundation considered the long-term expected investment returns, the nature and duration of the individual endowment funds, and the possible effect of inflation.

Changes in endowment net assets for year ended June 30, 2020, are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Balance July 1, 2019	\$ 437,278	\$ 23,757,684	\$ 24,194,932
Interest and dividends	1,101	86,661	87,762
Realized and unrealized gains (losses)	(27,220)	423,468	396,248
Contributions	-	1,051,225	1,051,225
Transfers	-	710	710
Amount appropriated for expenditure	(250,000)	(1,019,387)	(1,269,387)
Balance June 30, 2020	<u>\$ 161,129</u>	<u>\$ 24,300,361</u>	<u>\$ 24,461,490</u>

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**WAYNE STATE FOUNDATION** (Continued)

**Note G – Endowments** (Concluded)

Changes in endowment net assets for year ended June 30, 2019, are as follows:

Balance July 1, 2018	\$ 402,689	\$ 22,283,469	\$ 22,686,158
Interest and dividends	6,864	400,565	407,429
Realized and unrealized gains	27,695	1,262,095	1,289,790
Contributions	-	897,155	897,155
Transfers	-	20,400	20,400
Amount appropriated for expenditure	-	(1,106,000)	(1,106,000)
Balance June 30, 2019	<u>\$ 437,248</u>	<u>\$ 23,757,684</u>	<u>\$ 24,194,932</u>

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or NUPMIFA requires the Foundation to retain as a fund of perpetual duration. As of June 30, 2020, endowment funds had deficiencies totaling \$10,888. These deficiencies resulted from unfavorable market fluctuations that occurred after the investment of contributions for donor-restricted endowment funds and continued appropriation for certain programs that was deemed prudent by the Executive Committee of the Foundation.

**Note H – Liquidity and Availability**

The Foundation manages its cash available to meet general expenditures following the general principles stipulated in the Statement of Investment Policy established by the Executive Committee. These include a diversified portfolio managed in accordance with high standards of fiduciary duty and compliance with applicable laws and regulations. Standards for return, asset allocation, and diversification shall be determined from a strategic perspective and measured over successive market cycles.

The policy also delegates the Audit/Finance Committee with the responsibility of working with the Foundation staff to develop an annual operating budget to recommend to the Executive Committee. This annual operating budget covers management and general expenses, fundraising expenses, and certain program support. The table below presents financial assets available to meet that annual operating budget for the upcoming fiscal year.

	2020	2019
Cash and cash equivalents	\$ 159,940	\$ 163,120
Certificates of deposits	-	35,000
Investments	2,747,747	2,703,089
	<u>\$ 2,907,687</u>	<u>\$ 2,901,209</u>

**Note I – Operating Leases**

On June 22, 2018, the Foundation entered into a 24-month operating lease for a vehicle. Under the terms of the lease, monthly rent payments are \$697. This lease was paid in full on May 22, 2020.

On June 19, 2020, the Foundation entered into a 36-month operating lease for a vehicle. Under the terms of the lease, monthly rent payments are \$650.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**WAYNE STATE FOUNDATION** (Continued)

**Note I – Operating Leases** (Concluded)

Future minimum lease payments for the years following June 30, 2020, are:

2021	\$	7,794
2022		7,794
2023		7,144
		7,144
	\$	22,732

**Note J – Long-Term Debt**

Long term debt consists of the following:

	2020	2019
Note payable, State Nebraska Bank & Trust	\$ 117,556	\$ -
Less current maturities	(54,809)	-
	\$ 62,747	\$ -

Note payable, State Nebraska Bank & Trust, dated April 14, 2020. Original amount of \$124,282, payable in 18 installments of \$6,994 beginning November 14, 2020, including interest at 1% per annum. The final payment is due April 14, 2022. This note was obtained through the Payroll Protection Program with the Small Business Administration. The loan may be eligible for partial or complete forgiveness when spent on qualified expenditures.

**Note K – Related Parties**

The Foundation provides support to the College to assist in fulfilling its mission of educating students. For the years ended June 30, 2020 and 2019, the Foundation provided support in the form of the following:

	2020	2019
Direct support		
Scholarships	\$ 970,967	\$ 2,970,003
Athletic scholarships	195,397	307,233
Capital improvements	855,975	1,371,221
Neihardt stipends	32,400	32,100
Athletics administration support	67,774	79,029
General budget support	21,685	39,087
Property gifted	276,956	-
Indirect support	69,042	58,399
	\$ 2,490,196	\$ 4,857,072

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**WAYNE STATE FOUNDATION** (Continued)

**Note K – Related Parties** (Concluded)

The Foundation also reimbursed the College for payroll and other operating expenses in the amount of \$673,081 and \$593,245 for years ended June 30, 2020 and 2019, respectively.

The Foundation receives donated accounting services, secretarial services, and rent from the College. The estimated fair value for these services was \$6,000 and \$36,996 for the years ended June 30, 2020 and 2019, respectively. These amounts have been recognized in the financial statements.

**Note L – Retirement**

The Foundation contributes to a defined contribution retirement plan. The plan provides contributions of 8% of the eligible employee's wages. The Foundation contributed \$39,438 and \$30,854 for the years ended June 30, 2020 and 2019, respectively.

**Note M – Concentration of Credit Risk**

Financial instruments which potentially subject the Foundation to concentrations of credit risk consist principally of checking, money market, and certificate of deposit accounts at financial institutions. Accounts at each institution are insured by the FDIC up to \$250,000. The bank account, at June 30, 2020 and 2019, exceeded federally insured limits by \$1,703,890 and \$1,219,700, respectively. The Foundation has not experienced any losses on such accounts.

**Note N – New Accounting Standards**

*Revenue Recognition*

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers* ("ASU 2014-09"). ASU 2014-09 provides a single model for entities to use in accounting for revenue arising from contracts with customers. The new standard also requires expanded disclosures regarding the qualitative and quantitative information about nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The FASB has subsequently issued additional, clarifying standards to address issues arising from implementation of the new revenue recognition standard. ASU 2014-09 and all subsequently issued amendments, collectively "ASC 606," is effective for annual reporting periods beginning after December 15, 2018. The standard permits the use of either a full retrospective or a modified retrospective approach.

The Foundation adopted ASC 606 on July 1, 2019, using the modified retrospective method. The amount and timing of revenue recognition was not impacted by the new standard, and therefore, no cumulative adjustment was recognized in net assets upon adoption. During the year, the Foundation did not have any transactions that fell under the guidance of ASC 606.

*Contributions*

In June 2018, FASB issued ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This standard assists entities in evaluating whether transactions should be accounted for as contributions or exchange transactions and determining whether a contribution is conditional. For nonexchange transactions, the contribution guidance in ASC 958 is typically applied, whereas for exchange transactions, an entity should apply ASC 606 or other appropriate guidance. The Foundation has implemented the provisions of ASU 2018-08 applicable to both contributions received and to contributions made in the accompanying financial statements under a modified prospective basis. Accordingly, there is no effect on net assets in connection with the implementation of ASU 2018-08.

NEBRASKA STATE COLLEGE SYSTEM  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(Concluded)

**WAYNE STATE FOUNDATION** (Concluded)

**Note N – New Accounting Standards** (Concluded)

*Fair Value Measurement*

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement*. The ASU removed some disclosures; modified others, and added some new disclosure requirements. The ASU is effective for all entities for fiscal years beginning after December 15, 2019; however, the Foundation early adopted the standard, effective for the year ended June 30, 2020, as permitted by the standard. See Note C for disclosure of the Foundation's assets and liabilities measured at fair value.

*Statement of Cash Flows*

In November 2016, the FASB issued ASU 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash*. The ASU requires that the statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. The ASU is effective for all entities for fiscal years beginning after December 15, 2018, and should be applied using a retrospective transition method to each period presented. The Foundation adopted ASU 2016-18 on July 1, 2019.

**Note O – Cash and Cash Equivalents**

The following is a reconciliation of cash, cash equivalents, and restricted cash reported within the statements of financial position that sum to the total of the same such amounts shown in the statements of cash flows.

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents, unrestricted	\$ 159,940	\$ 163,120
Cash and cash equivalents, restricted	1,979,354	973,382
Total cash and cash equivalents		
Shown in the statement of cash flows	<u>\$ 2,139,294</u>	<u>\$ 1,136,502</u>

See Note A for description of cash and cash equivalents presented above.

**Note P – Subsequent Events**

Subsequent events have been evaluated through the audit report date, the date that the financial statements were available to be issued.

The COVID-19 (coronavirus) outbreak has prompted global health concerns. Consequently, the Foundation's 2021 revenue and support could be negatively impacted. An estimate of the financial effect of the COVID-19 pandemic cannot be made at this time. In addition, both domestic and global markets have experienced fluctuation, which may be temporary.

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)  
**SCHEDULE OF NET POSITION**  
June 30, 2020

	CSC	PSC	WSC	NSCS Office	Total
<b>Assets</b>					
<b>Current Assets</b>					
Cash and Cash Equivalents	\$ 6,948,770	\$ 5,751,674	\$ 22,069,551	\$ 3,735,345	\$ 38,505,340
Restricted Cash and Cash Equivalents	5,825,938	5,110,105	10,383,632	8,354,070	29,673,745
Accounts Receivable, Net of Allowance	279,267	747,616	208,899	38,740	1,274,522
Other Receivables	204,635	225,472	121,558	12,872	564,537
Inventories	35,885	35,334	14,178	-	85,397
Loans to Students, Net	-	-	181,165	-	181,165
Prepaid Expenses	408,745	306,541	504,148	125,130	1,344,564
Deposits with Vendors	-	-	-	2,267	2,267
Total Current Assets	<u>13,703,240</u>	<u>12,176,742</u>	<u>33,483,131</u>	<u>12,268,424</u>	<u>71,631,537</u>
<b>Non-current Assets</b>					
Restricted Cash and Cash Equivalents	2,120,197	494,341	1,986,997	26,161,141	30,762,676
Restricted Investments	-	762,532	-	-	762,532
Loans to Students, Net	-	-	448,928	-	448,928
Prepaid Expenses	18,252	1,955	138,338	67,884	226,429
Capital Assets, Net	61,180,122	59,139,798	113,988,609	106,716	234,415,245
Total Non-current Assets	<u>63,318,571</u>	<u>60,398,626</u>	<u>116,562,872</u>	<u>26,335,741</u>	<u>266,615,810</u>
Total Assets	<u>77,021,811</u>	<u>72,575,368</u>	<u>150,046,003</u>	<u>38,604,165</u>	<u>338,247,347</u>
<b>Deferred Outflow of Resources</b>					
Unamortized Bond Refunding Amount, Net	15,647	4,544	8,212	-	28,403
Total Deferred Outflow of Resources	<u>15,647</u>	<u>4,544</u>	<u>8,212</u>	<u>-</u>	<u>28,403</u>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Accounts Payable and Accrued Liabilities	2,240,421	1,538,423	3,749,695	2,061,131	9,589,670
Accrued Compensated Absences	152,355	90,653	334,503	70,147	647,658
Unearned Revenue	88,517	66,000	904,266	24,165	1,082,948
Interest Payable	116,737	186,775	256,581	441,129	1,001,222
Master Lease Payable	87,546	-	-	-	87,546
Long-term Debt	655,000	570,000	890,000	4,800,000	6,915,000
Deposits Held in Custody for Others	82,191	42,348	69,982	148,962	343,483
Refundable Government Grants	-	-	1,305,285	-	1,305,285
Total Current Liabilities	<u>3,422,767</u>	<u>2,494,199</u>	<u>7,510,312</u>	<u>7,545,534</u>	<u>20,972,812</u>
<b>Non-current Liabilities</b>					
Accrued Compensated Absences	1,119,316	630,580	1,795,596	175,971	3,721,463
Unearned Revenue	-	198,000	981,000	-	1,179,000
Master Lease Payable	281,697	-	-	-	281,697
Long-term Debt	8,130,314	11,772,359	16,221,852	50,047,998	86,172,523
Total Non-current Liabilities	<u>9,531,327</u>	<u>12,600,939</u>	<u>18,998,448</u>	<u>50,223,969</u>	<u>91,354,683</u>
Total Liabilities	<u>12,954,094</u>	<u>15,095,138</u>	<u>26,508,760</u>	<u>57,769,503</u>	<u>112,327,495</u>
<b>Deferred Inflow of Resources</b>					
Unamortized Bond Refunding Amount, Net	-	-	-	471	471
Total Deferred Inflow of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>471</u>	<u>471</u>
<b>Net Position</b>					
Net Investment in Capital Assets	53,214,394	47,953,818	97,825,124	(28,970,311)	170,023,025
Restricted for:					
Expendable:					
Loans	-	-	(515,670)	-	(515,670)
Debt Service	667,664	596,157	903,449	3,446,568	5,613,838
Plant	1,619,980	86,443	447,762	3,823,949	5,978,134
Other	4,613,860	4,114,371	6,939,521	406,093	16,073,845
Unrestricted	3,967,466	4,733,985	17,945,269	2,127,892	28,774,612
Total Net Position	<u>\$ 64,083,364</u>	<u>\$ 57,484,774</u>	<u>\$ 123,545,455</u>	<u>\$ (19,165,809)</u>	<u>\$ 225,947,784</u>

Attachment: Nebraska State College System Audit Report FY20 and FY19 (2840 : Basic Financial Audit Report for Year Ended June 30, 2020)

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)  
**SCHEDULE OF NET POSITION**  
June 30, 2019

	CSC	PSC As Restated	WSC As Restated	NSCS Office	Total
<b>Assets</b>					
<b>Current Assets</b>					
Cash and Cash Equivalents	\$ 6,826,235	\$ 5,838,610	\$ 19,315,313	\$ 3,524,951	\$ 35,505,109
Restricted Cash and Cash Equivalents	5,363,943	4,932,994	9,466,943	7,043,354	26,807,234
Accounts Receivable, Net of Allowance	263,223	747,642	167,729	31,865	1,210,459
Other Receivables	212,271	65,808	115,549	21,783	415,411
Inventories	2,628	42,973	12,661	-	58,262
Loans to Students, Net	-	-	175,830	-	175,830
Prepaid Expenses	447,512	181,155	409,633	111,417	1,149,717
Deposits with Vendors	-	-	-	2,708	2,708
Total Current Assets	<u>13,115,812</u>	<u>11,809,182</u>	<u>29,663,658</u>	<u>10,736,078</u>	<u>65,324,730</u>
<b>Non-current Assets</b>					
Restricted Cash and Cash Equivalents	949,434	880,591	1,425,751	502,531	3,758,307
Restricted Investments	-	738,017	-	1,338,808	2,076,825
Loans to Students, Net	-	-	625,627	-	625,627
Prepaid Expenses	12,643	17,710	4,469	78,687	113,509
Capital Assets, Net	60,393,894	61,156,277	115,974,882	747,010	238,272,063
Total Non-current Assets	<u>61,355,971</u>	<u>62,792,595</u>	<u>118,030,729</u>	<u>2,667,036</u>	<u>244,846,331</u>
Total Assets	<u>74,471,783</u>	<u>74,601,777</u>	<u>147,694,387</u>	<u>13,403,114</u>	<u>310,171,061</u>
<b>Deferred Outflow of Resources</b>					
Unamortized Bond Refunding Amount, Net	17,602	5,193	9,385	-	32,180
Total Deferred Outflow of Resources	<u>17,602</u>	<u>5,193</u>	<u>9,385</u>	<u>-</u>	<u>32,180</u>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Accounts Payable and Accrued Liabilities	2,397,681	1,398,723	3,613,412	1,763,236	9,173,052
Accrued Compensated Absences	146,969	59,414	207,435	19,241	433,059
Unearned Revenue	45,313	-	660,407	25,751	731,471
Interest Payable	121,682	190,655	264,443	412,537	989,317
Master Lease Payable	102,475	-	-	-	102,475
Long-term Debt	655,000	570,000	880,000	3,325,000	5,430,000
Deposits Held in Custody for Others	70,053	23,993	98,120	116,387	308,553
Total Current Liabilities	<u>3,539,173</u>	<u>2,242,785</u>	<u>5,723,817</u>	<u>5,662,152</u>	<u>17,167,927</u>
<b>Non-current Liabilities</b>					
Accrued Compensated Absences	1,115,236	534,727	1,635,094	173,170	3,458,227
Refundable Government Grants	-	-	1,509,621	-	1,509,621
Long-term Debt	8,783,334	12,337,418	17,115,520	28,899,317	67,135,589
Total Non-current Liabilities	<u>9,898,570</u>	<u>12,872,145</u>	<u>20,260,235</u>	<u>29,072,487</u>	<u>72,103,437</u>
Total Liabilities	<u>13,437,743</u>	<u>15,114,930</u>	<u>25,984,052</u>	<u>34,734,639</u>	<u>89,271,364</u>
<b>Deferred Inflow of Resources</b>					
Unamortized Bond Refunding Amount, Net	-	-	-	11,765	11,765
Total Deferred Inflow of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,765</u>	<u>11,765</u>
<b>Net Position</b>					
Net Investment in Capital Assets	51,789,042	49,296,160	99,284,201	(29,732,179)	170,637,224
Restricted for:					
Expendable:					
Loans		-	(418,606)	-	(418,606)
Debt Service	676,081	609,266	912,199	1,982,080	4,179,626
Plant	49,216	346,595	11,832	4,039,091	4,446,734
Other	4,436,318	4,070,260	6,887,429	403,604	15,797,611
Unrestricted	4,100,985	5,169,759	15,042,665	1,964,114	26,277,523
Total Net Position	<u>\$ 61,051,642</u>	<u>\$ 59,492,040</u>	<u>\$ 121,719,720</u>	<u>\$ (21,343,290)</u>	<u>\$ 220,920,112</u>

Attachment: Nebraska State College System Audit Report FY20 and FY19 (2840 : Basic Financial Audit Report for Year Ended June 30, 2020)

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
Fiscal Year Ended June 30, 2020

	CSC	PSC	WSC	NSCS Office	Total
<b>Operating Revenues</b>					
Tuition and Fees, Net of Scholarship Allowances and Institutional Waivers	\$ 10,033,669	\$ 6,460,057	16,353,560	\$ -	\$ 32,847,286
Federal Grants and Contracts	809,445	392,382	594,641	-	1,796,468
State Grants and Contracts	1,553,789	220,937	125,836	-	1,900,562
Private Grants and Contracts	127,999	240,814	174,961	-	543,774
Auxiliary Enterprises, Net of Scholarship Allowances and Institutional Waivers	4,575,039	4,038,670	8,490,504	-	17,104,213
Other Operating Revenues	475,699	1,054,849	472,352	14,923	2,017,823
<b>Total Operating Revenues</b>	<b>17,575,640</b>	<b>12,407,709</b>	<b>26,211,854</b>	<b>14,923</b>	<b>56,210,126</b>
<b>Operating Expenses</b>					
Compensation and Benefits	24,351,754	14,652,863	32,656,135	1,939,296	73,600,048
Supplies, Services, and Other	11,966,239	9,552,413	16,265,293	1,018,827	38,802,772
Scholarships and Fellowships	2,100,199	2,035,557	3,424,456	-	7,560,212
Depreciation	2,412,688	2,400,843	4,715,691	640,294	10,169,516
<b>Total Operating Expenses</b>	<b>40,830,880</b>	<b>28,641,676</b>	<b>57,061,575</b>	<b>3,598,417</b>	<b>130,132,548</b>
<b>Operating Loss</b>	<b>(23,255,240)</b>	<b>(16,233,967)</b>	<b>(30,849,721)</b>	<b>(3,583,494)</b>	<b>(73,922,422)</b>
<b>Non-operating Revenues (Expenses)</b>					
State Appropriations	18,185,612	10,189,610	22,770,336	2,405,981	53,551,539
Federal grants and contracts	4,013,265	3,765,833	7,479,424	-	15,258,522
State Grants and Contracts	339,901	368,611	773,739	-	1,482,251
Investment Income	263,769	249,327	674,593	213,751	1,401,440
Interest on Capital Asset-Related Debt	(236,954)	(379,140)	(510,666)	(618,793)	(1,745,553)
Gain (Loss) on Disposal of Asset	248	3,025	(3,540)	-	(267)
Bond Issuance Costs	-	-	-	(280,912)	(280,912)
Other Non-operating Revenue (Expense)	11,289	-	19,027	(1,885)	28,431
<b>Net Non-operating Revenues (Expenses)</b>	<b>22,577,130</b>	<b>14,197,266</b>	<b>31,202,913</b>	<b>1,718,142</b>	<b>69,695,451</b>
<b>Income (Loss) Before Other Revenues, Expenses, Gains or (Losses)</b>	<b>(678,110)</b>	<b>(2,036,701)</b>	<b>353,192</b>	<b>(1,865,352)</b>	<b>(4,226,971)</b>
<b>Other Revenues (Expenses) or Gains (Losses)</b>					
Capital Facilities Fees	-	-	-	2,348,430	2,348,430
Capital Contributions	1,510,000	94,903	815,271	-	2,420,174
Operating Transfers In (Out)	(592,714)	(65,468)	388,779	269,403	-
Capital Appropriations and Grants	2,792,546	-	268,493	1,425,000	4,486,039
<b>Net Other Revenues (Expenses) or Gains (Losses)</b>	<b>3,709,832</b>	<b>29,435</b>	<b>1,472,543</b>	<b>4,042,833</b>	<b>9,254,643</b>
<b>Increase (Decrease) in Net Position</b>	<b>3,031,722</b>	<b>(2,007,266)</b>	<b>1,825,735</b>	<b>2,177,481</b>	<b>5,027,672</b>
<b>Net Position, Beginning of Year</b>	<b>61,051,642</b>	<b>59,492,040</b>	<b>121,719,720</b>	<b>(21,343,290)</b>	<b>220,920,112</b>
<b>Net Position, End of Year</b>	<b>\$ 64,083,364</b>	<b>\$ 57,484,774</b>	<b>\$ 123,545,455</b>	<b>\$ (19,165,809)</b>	<b>\$ 225,947,784</b>

Attachment: Nebraska State College System Audit Report FY20 and FY19 (2840 : Basic Financial Audit Report for Year Ended June 30, 2020)

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
Fiscal Year Ended June 30, 2019

	CSC As Restated	PSC As Restated	WSC As Restated	NSCS Office As Restated	Total
<b>Operating Revenues</b>					
Tuition and Fees, Net of Scholarship Allowances and Institutional Waivers	\$ 10,146,377	\$ 6,252,024	14,454,886	\$ -	\$ 30,853,287
Federal Grants and Contracts	871,061	407,150	576,743	-	1,854,954
State Grants and Contracts	183,127	481,904	136,896	-	801,927
Private Grants and Contracts	323,502	217,763	126,448	-	667,713
Auxiliary Enterprises, Net of Scholarship Allowances and Institutional Waivers	4,754,206	3,808,401	9,141,194	-	17,703,801
Other Operating Revenues	902,713	420,946	595,207	-	1,918,866
<b>Total Operating Revenues</b>	<b>17,180,986</b>	<b>11,588,188</b>	<b>25,031,374</b>	<b>-</b>	<b>53,800,548</b>
<b>Operating Expenses</b>					
Compensation and Benefits	24,662,256	14,187,608	30,372,407	1,853,941	71,076,212
Supplies, Services, and Other	10,772,830	8,225,383	17,605,500	1,130,926	37,734,639
Scholarships and Fellowships	1,382,632	1,369,218	2,022,495	-	4,774,345
Depreciation	2,395,041	2,306,723	4,549,818	759,219	10,010,801
<b>Total Operating Expenses</b>	<b>39,212,759</b>	<b>26,088,932</b>	<b>54,550,220</b>	<b>3,744,086</b>	<b>123,595,997</b>
<b>Operating Loss</b>	<b>(22,031,773)</b>	<b>(14,500,744)</b>	<b>(29,518,846)</b>	<b>(3,744,086)</b>	<b>(69,795,449)</b>
<b>Non-operating Revenues (Expenses)</b>					
State Appropriations	17,508,452	9,858,268	21,913,213	2,342,272	51,622,205
Federal grants and contracts	3,112,588	3,064,767	4,946,743	-	11,124,098
State grants and contracts	348,803	355,228	679,283	-	1,383,314
Investment Income	312,823	276,174	766,537	299,086	1,654,620
Interest on Capital Asset-Related Debt	(247,134)	(387,329)	(526,391)	(716,887)	(1,877,741)
Gain (Loss) on Disposal of Asset	(480)	-	11,585	-	11,105
Other Non-operating Revenue (Expense)	13,568	2,411	14,944	14,201	45,124
<b>Net Non-operating Revenues (Expenses)</b>	<b>21,048,620</b>	<b>13,169,519</b>	<b>27,805,914</b>	<b>1,938,672</b>	<b>63,962,725</b>
<b>Income (Loss) Before Other Revenues, Expenses, Gains or (Losses)</b>	<b>(983,153)</b>	<b>(1,331,225)</b>	<b>(1,712,932)</b>	<b>(1,805,414)</b>	<b>(5,832,724)</b>
<b>Other Revenues (Expenses) or Gains (Losses)</b>					
Capital Facilities Fees	-	-	-	2,157,814	2,157,814
Capital Contributions	850,000	-	1,621,221	-	2,471,221
Operating Transfers In (Out)	(1,155,778)	1,949,811	(278,379)	(515,654)	-
Capital Appropriations and Grants	2,216,000	-	658,239	1,425,000	4,299,239
<b>Net Other Revenues (Expenses) or Gains (Losses)</b>	<b>1,910,222</b>	<b>1,949,811</b>	<b>2,001,081</b>	<b>3,067,160</b>	<b>8,928,274</b>
<b>Increase (Decrease) in Net Position</b>	<b>927,069</b>	<b>618,586</b>	<b>288,149</b>	<b>1,261,746</b>	<b>3,095,550</b>
<b>Net Position, Beginning of Year</b>	<b>60,124,573</b>	<b>58,873,454</b>	<b>121,431,571</b>	<b>(22,605,036)</b>	<b>217,824,562</b>
<b>Net Position, End of Year</b>	<b>\$ 61,051,642</b>	<b>\$ 59,492,040</b>	<b>\$ 121,719,720</b>	<b>\$ (21,343,290)</b>	<b>\$ 220,920,112</b>

Attachment: Nebraska State College System Audit Report FY20 and FY19 (2840 : Basic Financial Audit Report for Year Ended June 30, 2020)

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)  
**SCHEDULE OF CASH FLOWS**  
Fiscal Year Ended June 30, 2020

	CSC	PSC	WSC	NSCS Office	Total
<b>Cash Flows From Operating Activities</b>					
Tuition and Fees	\$ 10,011,234	\$ 6,188,241	\$ 16,140,372	\$ -	\$ 32,339,847
Grants and Contracts	2,496,744	859,014	868,050	-	4,223,808
Payments to Suppliers	(11,958,271)	(8,857,977)	(15,253,938)	(1,083,033)	(37,153,219)
Payments to Employees	(24,398,527)	(14,502,594)	(32,241,270)	(1,823,508)	(72,965,899)
Collections of Loans to Students	-	-	190,363	-	190,363
Sales and Services of Auxiliary Enterprises	4,505,705	3,894,348	8,279,349	-	16,679,402
Other Payments	(1,616,017)	(1,012,128)	(2,956,413)	14,923	(5,569,635)
Net Cash Used in Operating Activities	(20,959,132)	(13,431,096)	(24,973,487)	(2,891,618)	(62,255,333)
<b>Cash Flows From Non-capital Financing Activities</b>					
State Appropriations	18,185,612	10,189,610	22,770,336	2,405,981	53,551,539
Grants and Contracts	4,353,166	4,009,873	8,253,163	-	16,616,202
Receipt of Flex Contributions	-	-	-	315,965	315,965
Payment of Flex Contributions	-	-	-	(280,623)	(280,623)
Direct Lending Receipts	8,943,956	8,409,067	14,483,987	-	31,837,010
Direct Lending Payments	(8,943,956)	(8,409,067)	(14,483,987)	-	(31,837,010)
Other Receipts (Payments)	278,057	-	(201,959)	18,157	94,255
Net Cash Provided by Non-capital Financing Activities	22,816,835	14,199,483	30,821,540	2,459,480	70,297,338
<b>Cash Flows From Capital and Related Financing Activities</b>					
Proceeds from Capital Debt	-	-	-	26,480,186	26,480,186
Capital Contributions	1,510,000	94,902	815,271	-	2,420,173
Purchase of Capital Assets	(2,645,297)	(647,515)	(2,382,273)	-	(5,675,085)
Disposal of Capital Assets	1,824	-	1,502	-	3,326
Principal Paid on Capital Debt	(655,000)	(570,000)	(880,000)	(3,325,000)	(5,430,000)
Interest Paid on Capital Debt	(237,964)	(377,430)	(521,023)	(1,122,169)	(2,258,586)
Bond Issuance Costs	-	-	-	(268,412)	(268,412)
Capital Facilities Fees	-	-	-	2,333,955	2,333,955
Transfers In (Out)	(1,135,969)	200,708	388,779	546,482	-
Other	25	-	-	(18,750)	(18,725)
Capital Appropriations	2,792,546	-	268,493	1,425,000	4,486,039
Net Cash Provided (Used) by Capital and Related Financing Activities	(369,835)	(1,299,335)	(2,309,251)	26,051,292	22,072,871
<b>Cash Flows From Investing Activities</b>					
Purchase/Sale of Investments	-	-	-	1,350,000	1,350,000
Investment Income	267,425	234,873	693,371	210,566	1,406,235
Net Cash Provided by Investing Activities	267,425	234,873	693,371	1,560,566	2,756,235
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	1,755,293	(296,075)	4,232,173	27,179,720	32,871,111
<b>Cash and Cash Equivalents, Beginning of Year</b>	13,139,612	11,652,195	30,208,007	11,070,836	66,070,650
<b>Cash and Cash Equivalents, End of Year</b>	\$ 14,894,905	\$ 11,356,120	\$ 34,440,180	\$ 38,250,556	\$ 98,941,761
<b>Reconciliation of Cash and Cash Equivalents to the Statement of Net Position</b>					
Cash and Cash Equivalents	\$ 6,948,770	\$ 5,751,674	\$ 22,069,551	\$ 3,735,345	\$ 38,505,340
Restricted Cash and Cash Equivalents - Current	5,825,938	5,110,105	10,383,632	8,354,070	29,673,745
Restricted Cash and Cash Equivalents - Non-current	2,120,197	494,341	1,986,997	26,161,141	30,762,676
Total Cash and Cash Equivalents	\$ 14,894,905	\$ 11,356,120	\$ 34,440,180	\$ 38,250,556	\$ 98,941,761

(Continued)

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)  
**SCHEDULE OF CASH FLOWS**  
Fiscal Year Ended June 30, 2020

	CSC	PSC	WSC	NSCS Office	Total
<b>Reconciliation of Net Operating Loss to Net Cash Used in Operating Activities</b>					
Operating Loss	\$ (23,255,240)	\$ (16,233,967)	\$ (30,849,721)	\$ (3,583,494)	\$ (73,922,422)
Depreciation Expense	2,412,688	2,400,843	4,715,691	640,294	10,169,516
Changes in Operating Assets and Liabilities:					
Receivables, Net	(12,089)	(45,129)	91,399	5,518	39,699
Inventories	(33,257)	7,639	(1,517)	-	(27,135)
Accounts Payable and Accrued Liabilities	(169,200)	139,701	(201,896)	6,098	(225,297)
Accrued Compensated Absences	9,466	127,092	287,570	53,707	477,835
Other Assets and Liabilities	88,500	172,725	984,987	(13,741)	1,232,471
<b>Net Cash Used in Operating Activities</b>	<u>\$ (20,959,132)</u>	<u>\$ (13,431,096)</u>	<u>\$ (24,973,487)</u>	<u>\$ (2,891,618)</u>	<u>\$ (62,255,333)</u>
<b>Supplemental Cash Flows Information</b>					
Accounts Payable Incurred for Capital Asset Purchases	\$ 96,278	\$ -	\$ 456,644	\$ 543,255	\$ 1,096,177

(Concluded)

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)  
**SCHEDULE OF CASH FLOWS**  
Fiscal Year Ended June 30, 2019

	CSC As Restated	PSC As Restated	WSC As Restated	NSCS Office As Restated	Total
<b>Cash Flows From Operating Activities</b>					
Tuition and Fees	\$ 9,957,736	\$ 6,190,983	\$ 14,718,183	\$ -	\$ 30,866,902
Grants and Contracts	1,363,873	1,128,341	825,548	-	3,317,762
Payments to Suppliers	(10,389,341)	(7,931,180)	(18,426,269)	(1,099,446)	(37,846,236)
Payments to Employees	(24,676,881)	(14,131,594)	(30,353,439)	(1,889,810)	(71,051,724)
Collections of Loans to Students	-	-	171,952	-	171,952
Sales and Services of Auxiliary Enterprises	4,710,826	3,737,417	8,639,549	-	17,087,792
Other Payments	(516,377)	(925,852)	(1,400,243)	(430)	(2,842,902)
Net Cash Used in Operating Activities	(19,550,164)	(11,931,885)	(25,824,719)	(2,989,686)	(60,296,454)
<b>Cash Flows From Non-capital</b>					
<b>Financing Activities</b>					
State Appropriations	17,508,452	9,858,268	21,913,213	2,342,272	51,622,205
Grants and Contracts	3,461,391	3,419,995	5,626,026	-	12,507,412
Receipt of Flex Contributions	-	-	-	287,273	287,273
Payment of Flex Contributions	-	-	-	(292,980)	(292,980)
Direct Lending Receipts	8,882,858	8,332,909	13,492,940	-	30,708,707
Direct Lending Payments	(8,882,858)	(8,332,909)	(13,492,940)	-	(30,708,707)
Other Receipts (Payments)	(130,645)	98,278	33,636	30,578	31,847
Net Cash Provided by Non-capital Financing Activities	20,839,198	13,376,541	27,572,875	2,367,143	64,155,757
<b>Cash Flows From Capital and Related</b>					
<b>Financing Activities</b>					
Capital Contributions	850,000	-	2,276,094	-	3,126,094
Purchase of Capital Assets	(6,028,190)	(2,693,014)	(8,405,116)	-	(17,126,320)
Disposal of Capital Assets	(480)	-	13,499	-	13,019
Principal Paid on Capital Debt	(640,000)	(656,562)	(860,000)	(3,215,000)	(5,371,562)
Interest Paid on Capital Debt	(247,996)	(385,215)	(535,967)	(1,251,400)	(2,420,578)
Capital Facilities Fees	-	-	-	2,178,204	2,178,204
Transfers In (Out)	833,407	2,270,224	433,012	(3,536,643)	-
Other	(25)	-	-	(5,569)	(5,594)
Capital Appropriations	2,216,000	-	658,239	1,425,000	4,299,239
Net Cash Provided (Used) by Capital and Related Financing Activities	(3,017,284)	(1,464,567)	(6,420,239)	(4,405,408)	(15,307,498)
<b>Cash Flows From Investing Activities</b>					
Purchase/Sale of Investments	-	-	602,259	(1,320,082)	(717,823)
Investment Income	315,526	252,101	767,494	280,380	1,615,501
Net Cash Provided (Used) by Investing Activities	315,526	252,101	1,369,753	(1,039,702)	897,678
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	(1,412,724)	232,190	(3,302,330)	(6,067,653)	(10,550,517)
<b>Cash and Cash Equivalents, Beginning of Year</b>	14,552,336	11,420,005	33,510,337	17,138,489	76,621,167
<b>Cash and Cash Equivalents, End of Year</b>	\$ 13,139,612	\$ 11,652,195	\$ 30,208,007	\$ 11,070,836	\$ 66,070,650
<b>Reconciliation of Cash and Cash Equivalents to the Statement of Net Position</b>					
Cash and Cash Equivalents	\$ 6,826,235	\$ 5,838,610	\$ 19,315,313	\$ 3,524,951	\$ 35,505,109
Restricted Cash and Cash Equivalents - Current	5,363,943	4,932,994	9,466,943	7,043,354	26,807,234
Restricted Cash and Cash Equivalents - Non-current	949,434	880,591	1,425,751	502,531	3,758,307
Total Cash and Cash Equivalents	\$ 13,139,612	\$ 11,652,195	\$ 30,208,007	\$ 11,070,836	\$ 66,070,650

(Continued)

NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)  
**SCHEDULE OF CASH FLOWS**  
Fiscal Year Ended June 30, 2019

	<u>CSC</u> <u>As Restated</u>	<u>PSC</u> <u>As Restated</u>	<u>WSC</u> <u>As Restated</u>	<u>NSCS</u> <u>Office</u> <u>As Restated</u>	<u>Total</u>
<b>Reconciliation of Net Operating Loss to Net Cash Used in Operating Activities</b>					
Operating Loss	\$ (22,031,773)	\$ (14,500,744)	\$ (29,518,846)	\$ (3,744,086)	\$ (69,795,449)
Depreciation Expense	2,395,041	2,306,723	4,549,818	759,219	10,010,801
Changes in Operating Assets and Liabilities:					
Receivables, Net	(207,756)	(643)	223,074	5,946	20,621
Inventories	12,712	(1,606)	(2,139)	-	8,967
Accounts Payable and Accrued Liabilities	406,498	237,043	(750,563)	59,673	(47,349)
Accrued Compensated Absences	5,289	42,009	(16,359)	(66,072)	(35,133)
Other Assets and Liabilities	(130,175)	(14,667)	(309,704)	(4,366)	(458,912)
<b>Net Cash Used in Operating Activities</b>	<u>\$ (19,550,164)</u>	<u>\$ (11,931,885)</u>	<u>\$ (25,824,719)</u>	<u>\$ (2,989,686)</u>	<u>\$ (60,296,454)</u>
<b>Supplemental Cash Flows Information</b>					
Accounts Payable Incurred for Capital Asset Purchases	\$ 84,339	\$ 21,385	\$ 118,465	\$ 266,176	\$ 490,365
					(Concluded)



# NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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State Auditor

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NEBRASKA STATE COLLEGE SYSTEM  
(A COMPONENT UNIT OF THE STATE OF NEBRASKA)

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND  
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

**INDEPENDENT AUDITOR'S REPORT**

Board of Trustees of the Nebraska State College System  
Lincoln, NE

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business type activities and the discretely presented component units of the Nebraska State College System (NSCS) (a component unit of the State of Nebraska), as of and for the years ended June 30, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the Nebraska State College System's basic financial statements, and have issued our report thereon dated December 14, 2020. Our report includes a reference to other auditors who audited the financial statements of the Nebraska State College System Foundations, the Nebraska State Colleges Facilities Corporation, and the activity of the Nebraska State College System Revenue and Refunding Bond Program, as described in our report on the NSCS's financial statements. The financial statements of these entities and program were not audited in accordance with *Government Auditing Standards*, and, accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with these entities.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the NSCS's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the NSCS's internal control. Accordingly, we do not express an opinion on the effectiveness of the NSCS's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the NSCS's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency or combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the NSCS's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Nebraska State College System's Findings and Responses**

We also noted in our separately issued management letter dated December 14, 2020, certain other matters that we reported to management of the NSCS.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the NSCS's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the NSCS's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

December 14, 2020



Zachary Wells, CPA, CISA  
Audit Manager

**ITEMS FOR DISCUSSION AND ACTION/FISCAL, FACILITIES AND AUDIT**

January 13, 2021

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**ACTION:** **Approve Continuation of Bookstore Contract for Peru State College**

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Peru State recommends continuation of its bookstore contract with eCampus for the operation of the online bookstore for 2021-2022. The College's contract is for three (3) years 2019-20, 2020-21, and 2021-22. This approval is for the third year of the three (3) year contract. There is an option to enter into two (2) additional one (1) year contracts with eCampus following the initial three (3) year term of the contract with Board approval. For the right to operate the bookstore, eCampus agrees to pay the College a commission of 6% of new, used and rental book sales, 10% of book buybacks, 5% of market place purchases and 2.5% of digital book sales. In addition, eCampus will provide the College up to \$3,000 in course material scholarship as in-store credit per year.

The System Office and Peru State College recommend approval of the Continuation of Bookstore Contract for Peru State College.



Action Item (ID # 2843)

Meeting of January 13, 2021

Lunch	\$7.00	\$4.50	\$5.94
Brunch	\$7.25	\$4.50	N/A
Dinner	\$7.50	\$7.50	\$5.94
Steak Night	\$8.50	\$8.50	\$7.08

Admissions/Enrollment for Guests \$5.50

Peru State Summer Conference/Camp Rates are as follows:

Summer Conference Camp  
Rate

Breakfast	\$ 6.25
Lunch	\$ 7.00
Dinner	\$ 7.25
All Day (3 meals)	\$20.00

**WAYNE STATE CONTRACT FOR 2021-2022**

Wayne State recommends approval of the continuation of the food service Agreement with Compass Group USA, Inc. by and through its Chartwells Division and related amendments for 2021-2022, which is the third year of a five-year Agreement.

All rates are per person per meal.

Board/Meal Plan Rates	Per Meal Rate
Unlimited Meal Plan + \$150 Flex/semester	\$3.5655
225 Block Plan + \$350 Flex/semester	\$5.5556
190 Block Plan + \$250 Flex/semester	\$5.2053
100 block meal plan+ \$300 Flex/semester	\$7.0800
75 block meal plan + \$150 Flex/semester	\$8.2667
50 Block Plan	\$5.6400

Casual Meal Rates	External Guests	College Employee/College Paid
Breakfast	\$7.00	\$5.95
Lunch	\$9.60	\$7.95
Brunch	\$9.60	\$7.95
Evening & Special Dinner	\$10.15	\$8.80

Summer Conference Meal Rate \$8.00

The System Office recommends approval of the Continuation of Food Service Contracts.

**ATTACHMENTS:**

- CSC Food Service Agreement Addendum #4 (PDF)
- PSC Dining Service Agreement Amendment (PDF)
- WSC Food Service Agreement Amendment (PDF)

**ADDENDUM #4**

**FOOD SERVICE AGREEMENT**

The Food Service Agreement between the Board of Trustees of the Nebraska State Colleges doing business as Chadron State College (College) and A’viands, LLC (Company) dated April 5, 2019 shall be amended. The College and Company will be singularly referred to herein as a “Party” and collectively as the “Parties.”

Whereas, the Company’s legal name changed to Elior, Inc. dba Aladdin Food Management Services, LLC on Addendum #2 dated April 1, 2020.

Now therefore, the Parties agree to a management fee of \$112,695 effective July 1, 2021 – June 30, 2022 pursuant to the Agreement page 11, section 6.6.

In WITNESS WHEREOF, the parties have caused this Addendum to the Agreement to be executed by the following authorized officials:

**Aladdin Food Management Services, LLC:**

**Chadron State College:**

\_\_\_\_\_

\_\_\_\_\_

By: Paul Kowalczyk  
Title: Managing Director  
Dated: \_\_\_\_\_

By: Kari Gaswick  
Title: Vice President Administration & Finance  
Dated: \_\_\_\_\_

**Board of Trustees of the Nebraska State Colleges:**

\_\_\_\_\_

By: Paul Turman  
Title: Chancellor  
Dated: \_\_\_\_\_

Attachment: CSC Food Service Agreement Addendum #4 (2843 : Continuation of Food Service Contracts)

### Dining Service Agreement Amendment

The Board of Trustees of the Nebraska State Colleges dba Peru State College (College) and Fresh Ideas Management LLC, a Missouri limited liability company (Fresh Ideas) hereby agree to amend the Dining Service Agreement dated March 22, 2019 and Amendments dated October 1, 2019, April 1, 2020, July 1, 2020 and November 13, 2020. The amendment terms are identified below and will be effective on July 1, 2021.

The original Exhibit A has been deleted and replaced with the attached Amended Exhibit A dated July 1, 2021.

**BOARD OF TRUSTEES OF THE  
NEBRASKA STATE COLLEGES  
DBA PERU STATE COLLEGES:**

**FRESH IDEAS MANAGEMENT LLC:**

By: \_\_\_\_\_

By: \_\_\_\_\_

Printed Name: Debbie A. White

Printed Name: Dennis Owens

Title: Vice President for  
Administration and Finance

Title: President

**BOARD OF TRUSTEES OF THE  
NEBRASKA STATE COLLEGES:**

By: \_\_\_\_\_

Printed Name: Paul Turman

Title: Chancellor

Attachment: PSC Dining Service Agreement Amendment (2843 : Continuation of Food Service Contracts)

## Amended Exhibit A

Effective 07/01/2021



## Peru State College Daily/Sliding scale Fall 2021 &amp; Spring 2022

FLEX:		\$150	\$125	\$100	\$50
MEALS:		265 Block	210 Block	130 Block	Unlimited
Meal Plan Participants					
401	410	\$16.68	\$15.37	\$13.85	\$17.38
411	420	\$16.43	\$15.12	\$13.60	\$17.13
421	430	\$16.22	\$14.89	\$13.37	\$16.92
431	440	\$15.99	\$14.66	\$13.14	\$16.69
441	450	\$15.78	\$14.45	\$12.93	\$16.48
451	460	\$15.57	\$14.24	\$12.72	\$16.24
461	470	\$15.39	\$14.04	\$12.52	\$16.07
471	480	\$15.20	\$13.85	\$12.33	\$15.88
481	490	\$15.02	\$13.67	\$12.15	\$15.70
491	500	\$14.87	\$13.52	\$12.00	\$15.54
501	510	\$14.70	\$13.35	\$11.83	\$15.38
511	520	\$14.54	\$13.19	\$11.67	\$15.22
521	530	\$14.39	\$13.04	\$11.52	\$15.06
531	540	\$14.27	\$12.89	\$11.37	\$14.94
541	550	\$14.19	\$12.75	\$11.23	\$14.87
551	560	\$14.12	\$12.61	\$11.09	\$14.80
561	570	\$14.05	\$12.47	\$10.95	\$14.73
571	580	\$13.98	\$12.35	\$10.83	\$14.66
581	590	\$13.92	\$12.22	\$10.70	\$14.57
591	600	\$13.86	\$12.10	\$10.58	\$14.51
601	610	\$13.80	\$11.99	\$10.47	\$14.45
611	620	\$13.75	\$11.87	\$10.35	\$14.40
621	630	\$13.70	\$11.77	\$10.25	\$14.35
631	640	\$13.65	\$11.66	\$10.14	\$14.30
641	650	\$13.60	\$11.56	\$10.04	\$14.25
651	660	\$13.55	\$11.46	\$9.94	\$14.20
661	670	\$13.50	\$11.37	\$9.85	\$14.15
671	680	\$13.45	\$11.27	\$9.75	\$14.10
681	690	\$13.40	\$11.18	\$9.66	\$14.05
691	700	\$13.35	\$11.10	\$9.58	\$14.00

## COMMUTER 75 BLOCK PLAN RATES

MEAL	RATE
Breakfast	\$4.81
Lunch	\$5.94
Dinner	\$5.94
Steak Night	\$7.08
Daily Rate	N/A

## CASUAL MEAL RATES

MEAL	GUESTS	EMPLOYEES
Breakfast	\$5.75	\$4.50
Lunch	\$7.00	\$4.50
Brunch	\$7.25	\$4.50
Dinner	\$7.50	\$7.50
Steak Night	\$8.50	\$8.50
Admissions/ Enrollment	\$5.50	N/A

## SUMMER CONFERENCE/CAMP RATES

MEAL	RATE
Breakfast	\$6.25
Lunch	\$7.00
Dinner	\$7.25
All Day (3 Meals)	\$20.00

\*Catering Pricing – final catering pricing will be mutually agreed upon, signed and in writing, by College and Fresh Ideas

**AMENDMENT NUMBER THREE TO  
FOOD SERVICES AGREEMENT**

This Amendment Number Three to Food Services Agreement is made as of January 13, 2021 between the Board of Trustees of the Nebraska State Colleges doing business as Wayne State College, with principal offices located at 1111 Main Street, Wayne, Nebraska 68787 (“College” or “Client”) and Compass Group USA, Inc., a Delaware corporation , with principal offices at 2400 Yorkmont Road, Charlotte, North Carolina 28217, by and through its Chartwells Division (“Chartwells”) (collectively the “Parties”).

WHEREAS, Client and Chartwells are parties to that certain Food Services Agreement dated March 22, 2019, as amended by that certain Amendment Number One to Agreement executed by Client on January 14, 2020, and by that certain Amendment Number Two to Agreement executed by Client on June 10, 2020, (collectively, the “Agreement”); and

In consideration of the promises contained herein and for other good and valuable consideration, the Parties agree as follows:

1. Definitions. All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.
2. Amendment of Exhibit A, Section B. Effective July 1, 2021, Exhibit A, Section B of the Agreement is deleted in its entirety and replaced with the following:

**B. Meal Plans, Casual Meal Rates, Conference Rates and Catering Guide**

The number of Board plan days per academic year will be two hundred twenty-four (224). The specific allocation of days will be mutually agreed upon prior to the beginning of each academic year.

The following meal plans shall be established for the 2021-22 academic year. College shall pay Chartwells the ‘Per Potential Meal Rate Including DB’ for each meal participant:

Meal Plan	Weekly/ Block	Mandatory/ Voluntary	# of Meals Per Semester	DB Per Plan	Transfers	Cost to College with DB	Per Potential Meal Rate Including DB
<b>Unlimited (price per swipe based on 21 swipes)</b>	Weekly	Mandatory	Unlimited	150	2 Meal Exchange/ Week	\$1,198	\$3.5655
<b>Block 225</b>	Block	Mandatory	225	350	2 Meal Exchange/ Week	\$1,250	\$5.5556
<b>Block 190</b>	Block	Mandatory	190	250	2 Meal Exchange/ Week	\$989	\$5.2053
<b>Block 100</b>	Block	Mandatory* Upper classmen only	100	300	2 Meal Exchange/ Week	\$708	\$7.0800
<b>Block 75</b>	Block	Voluntary	75	150	1 Meal Exchange/ Week	\$620	\$8.2667
<b>Block 50</b>	Block	Voluntary	50	0	1 Meal Exchange/ Week	\$282	\$5.6400

College shall pay Chartwells the following reimbursements for casual meal sales (which are subject to commissions as provided herein):

Casual Meal Rates 2021 – 2022

	College Employee/College Paid (held flat)	External Guests
Breakfast	\$5.95	\$7.00
Lunch	\$7.95	\$9.60
Brunch	\$7.95	\$9.60
Evening/Special Dinner	\$8.80	\$10.15

College shall pay Chartwells the following reimbursements for conference meal sales (which are subject to commissions as provided herein):

Summer Conference Per Meal Rate 2021-2022      \$8.00

Attachment: WSC Food Service Agreement Amendment (2843 : Continuation of Food Service Contracts)

Future year board plan days and meal rates shall be determined by written addendum each year, signed by the Parties.

3. Amendment of Exhibit A, Section E. Effective July 1, 2021, Exhibit A, Section E of the Agreement is deleted in its entirety and replaced with the following:

**E. Unused Meal Plan Declining Balance Dollars**

Any meal plan declining balance (DB) dollars left over at the end of an academic year will not be credited to the student, but will be credited to College.

4. Amendment of Exhibit A, Section F. Effective July 1, 2021, Exhibit A, Section F of the Agreement is deleted in its entirety and replaced with the following:

**F. Commissions**

Chartwells shall pay commissions to the College on the Services set forth in this paragraph on a monthly basis in the following percentages:

Commissions (based on Net Receipts)

Cat Cash Sales	15%
Main Dining Casual Meals	15%
Cat’s Corner Lower Food Court	15%
Catering	15%
External Catering	15%
Concessions	15%
Library Coffee Shop	15%

Commissions are not calculated on Board Flex Dollar Sales or meal plan equivalent transfer values.

"Net Receipts" shall mean all moneys received for sales or Services rendered at or from the Premises, excluding: (1) receipts from sales of meals to employees of Chartwells; (2) any service charge made, collected and turned over to employees; (3) the proceeds of the sale of any fixtures or equipment; (4) proceeds from the sale or liquidation of any inventory which is not sold at retail; (5) any commission or processing fee paid in connection with sales by credit or bank cards; and (6) sales, gross receipts and other taxes collected by Chartwells or any other vendor as required by governmental authorities.

5. Amendment of Exhibit A, Section H. Effective July 1, 2021, Exhibit A, Section H of the Agreement is deleted in its entirety and replaced with the following:

**H. Future Investments**

Future funding by Chartwells for enhancements to the Premises, construction, etc. may be generated by incorporating the amounts necessary to complete such projects into the primary

Attachment: WSC Food Service Agreement Amendment (2843 : Continuation of Food Service Contracts)

daily rates. These additional special project amounts may be added to Chartwells' annual board rate increases for that year resulting in new primary board rates, due to inflation or other operational factors.

6. Amendment of Exhibit B, DINING PROGRAM PROVISIONS, Serving Hours. Effective July 1, 2021, Exhibit B, DINING PROGRAM PROVISIONS, Serving Hours of the Agreement is deleted in its entirety and replaced with the following:

**DINING PROGRAM PROVISIONS**

**Serving Hours**

The residential dining program in the Kanter Student Center will offer service based on the following schedule:

Monday through Thursday	7:15 a.m. to 9:00 p.m.;
Friday	7:15 a.m. to 6:30 p.m.;
Saturday	11:00 a.m. to 1:00 p.m. and 5:00 p.m. to 7:00 p.m.;
Sunday	11:00 a.m. to 1:00 p.m. and 5:00 p.m. to 7:00 p.m.

The Main Cafeteria shall be open for the Board Contract Dining Program in accordance with the following minimum schedule. Serving hours may be adjusted with the agreement of the College.

Breakfast: Mon-Fri	7:15 a.m. to 10:59 a.m.
Lunch: Mon-Fri	11:00 a.m. to 3:59 p.m.
Evening Dinner: Mon-Thu	4:00 p.m. to 6:59 p.m.
Late night dining: Mon-Thu	7:00 p.m. to 9:00 p.m.
Evening Dinner: Friday	4:00 p.m. to 6:30 p.m.
Brunch Sat/Sun/Non-Class	11:00 a.m. to 1:00 p.m.
Dinner Sat/Sun/Non-Class	5:00 p.m. to 7:00 p.m.

The Cat's Corner Lower Food Court shall be open with the following minimum schedule.

Monday - Thursday	7:15 a.m. to 9:00 p.m.
Friday	7:15 a.m. to 4:00 p.m.
Saturday	Closed
Sunday	Closed

The Library Coffee Shop shall be open with the following minimum schedule.

Sunday	7:00 p.m. to 11:00 p.m.
Monday – Thursday	7:30 a.m. to 11:00 p.m.
Friday	7:30 a.m. to 4:00 p.m.
Saturday	Closed

Attachment: WSC Food Service Agreement Amendment (2843 : Continuation of Food Service Contracts)

7. Library Location. All references to ‘Jitters’ or ‘Jitters Coffee Shop’ throughout the Agreement shall be changed to ‘Library Coffee Shop’.

8. Confirmation and Integration. The Parties hereby confirm and ratify the original Agreement, and Amendment Number One and Amendment Number Two in conjunction with adopting this Amendment Number Three. The Agreement, as amended hereby, constitutes the entire agreement between the parties and their predecessors pertaining to the subject matter of the Agreement, as so amended, and supersedes all prior and contemporaneous agreements and understandings of the parties and their predecessors in connection therewith.

9. Counterparts. This Amendment Number Three may be executed in any number of counterparts, each of which shall constitute an original and all of which together shall constitute but one and the same original document.

10. Headings. The section headings herein are for convenience only and do not define, limit or construe the contents of such sections.

IN WITNESS WHEREOF, the Parties have hereunto set their hands and seals as of the day and year first above written.

**BOARD OF TRUSTEES OF THE NEBRASKA STATE COLLEGES D/B/A WAYNE STATE COLLEGE**      **COMPASS GROUP USA, INC., BY AND THROUGH ITS CHARTWELLS DIVISION**

By: \_\_\_\_\_  
Marysz Rames, President

By: \_\_\_\_\_  
Lisa McEuen, CEO

Date: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Paul Turman, Chancellor

Date: \_\_\_\_\_

Attachment: WSC Food Service Agreement Amendment (2843 : Continuation of Food Service Contracts)

**ITEMS FOR DISCUSSION AND ACTION FISCAL, FACILITIES AND AUDIT**

January 13, 2021

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**ACTION:** **Approve 2021-2022 Room and Board Rates**

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Board Policy 9010 requires the maintenance of reasonable rates for room and board charges, subject to the approval of the Board, insuring maximum occupancy and/or an adequate flow of revenue to support the operations of the revenue bond facilities. Board Policy 9016 requires that each College establish student board rates to be approved by the Board of Trustees.

The Colleges have submitted proposed Room and Board Rates for FY 2021-2022. The proposed rates are shown on the following pages, along with a comparison to the prior year's rates.

The proposals take into consideration the capital needs of the Colleges' revenue bond programs, ongoing debt service needs, as well as operating cost increases on the programs.

The System Office recommends approval of the 2021-2022 Room and Board Rates.

**ATTACHMENTS:**

- CSC Room and Board Rates 2022 (PDF)
- PSC Room and Board Rates 2021-22 (PDF)
- WSC Approve Room Board Rates for 2021-22 (PDF)

**Chadron State College  
Room and Board Rate Proposal (Per Semester)  
2021-22**

<b>Board Rates</b>		
	Actual 2020-21	Proposed 2021-22
280 Meal Block Plan + \$200	\$ 2,150	\$ 2,225
200 Meal Block Plan + \$200	\$ 1,835	\$ 1,900
150 Meal Block Plan + \$200	\$ 1,450	\$ 1,495
80 Meal Block Plan + \$50	\$ 775	\$ 805

<b>Room Rates</b>		
	Actual 2020-21	Proposed 2021-22
<b>Residence Halls</b>		
Private Room - Fall Regular Session	\$ 2,725	\$ 2,875
Semi-Private Room - Fall Regular Session	\$ 1,895	\$ 2,045
Eagle Ridge Private Room - Fall Regular Session	\$ 2,625	\$ 2,775
"D" Session Room	\$ 150	\$ -
Private Room - Spring Regular Session	\$ 2,825	\$ 2,875
Semi-Private Room - Spring Regular Session	\$ 1,995	\$ 2,045
Eagle Ridge Private Room - Spring Regular Session	\$ 2,725	\$ 2,775

**Peru State College  
Room and Board Rate Proposal (Per Semester)  
2021-22**

<b>Board Rates</b>		
	Actual 2020-21	Proposed 2021-22
Meal Plan * - 75 Meal Block	\$596	\$596
Meal Plan **- 130 Meal Block + \$100	\$1,229	\$1,229
Meal Plan - 210 Meal Block + \$125	\$1,798	\$1,798
Meal Plan ***- 265 Meal Block + \$150	\$2,149	\$2,149
Meal Plan - Unlimited Meals + \$50	\$2,237	\$2,237
*Nicholas, Pate, Oak Hill and commuters only ** Commuters and Oak Hill only *** Difference based on discontinued 275 Meal Block Plan of \$2,193		
<b>Room Rates</b>		
	Actual 2020-21	Proposed 2021-22
<b>Residence Halls</b>		
<b>OAK HILL</b>		
Private Room	\$3,543	\$3,543
Semi-Private Room	\$2,021	\$2,021
<b>MORGAN/CENTENNIAL COMPLEX/DELZELL</b>		
Private Room	\$4,142	\$4,142
Semi-Private Room	\$2,372	\$2,372
<b>APARTMENTS/MONTH (Unrenovated)</b>		
ONE BEDROOM - A/C*	\$617	\$617
TWO BEDROOM - A/C*	\$713	\$713
THREE BEDROOM - A/C*	\$772	\$772
<b>APARTMENTS/MONTH (Renovated)</b>		
ONE BEDROOM - A/C*	\$646	\$646
TWO BEDROOM - A/C*	\$727	\$727
THREE BEDROOM - A/C*	\$808	\$808

**Wayne State College**  
**Room and Board Rate Proposal (Per Semester)**  
**2021-22**

<b>Board Rates</b>					
	Actual Regular Session Fall 2020	Actual D Session Fall 2020	Actual Full Term Fall 2020	Actual Spring 2021	Proposed 2021-22
Unlimited Meals + \$150 Flex Dollars <sup>2</sup>	\$2,040	n/a	\$2,145	\$2,145	\$2,185
225 Meal Block Plan + \$350 Flex Dollars <sup>2</sup>	n/a	n/a	\$2,040	\$2,040	\$2,075
190 Meal Block Plan + \$250 Flex Dollars <sup>2</sup>	n/a	n/a	\$1,645	\$1,645	\$1,675
100 Meal Block Plan + \$300 Flex Dollars <sup>1, 2</sup>	n/a	n/a	\$1,060	\$1,060	\$1,080
<b>Commuter Plans</b>					
75 Meal Block Plan + \$150 Flex Dollars <sup>3</sup>	n/a	n/a	\$785	\$785	\$795
50 Meal Block Plan <sup>3</sup>	n/a	n/a	\$385	\$385	\$390
<sup>1</sup> Available only to returning & new transfer students					
<sup>2</sup> Two meal transfers/week					
<sup>3</sup> One meal transfer/week					

<b>Room Rates</b>					
	Actual Regular Session Fall 2020	Actual D Session Fall 2020	Actual Full Term Fall 2020	Actual Spring 2021	Proposed 2021-22
<b>Residence Halls</b>					
<b>Berry/Morey</b>					
Standard Room	\$1,721	\$344	\$2,065	\$2,065	\$2,065
Premium Room**	\$2,188	\$437	\$2,625	\$2,625	\$2,625
Suite Per Bed Buy-Up**	\$467	\$93	\$560	\$560	\$560
<b>Anderson*</b>					
Standard Room	\$1,850	\$370	\$2,220	\$2,220	\$2,340
Premium Room**	\$2,354	\$471	\$2,825	\$2,825	\$2,980
Suite Per Bed Buy-Up**	\$504	\$101	\$605	\$605	\$640
<b>Neihardt/Terrace*</b>					
Standard Room	\$1,942	\$388	\$2,330	\$2,330	\$2,340
Single Room (per design)**	\$2,471	\$494	\$2,965	\$2,965	\$2,965
Premium Room**	\$2,483	\$497	\$2,980	\$2,980	\$2,980
Suite Per Bed Buy-Up**	\$533	\$107	\$640	\$640	\$640
<b>Pile*</b>					
Standard Room	\$1,942	\$388	\$2,330	\$2,330	\$2,390
Single Room (per design)**	\$2,471	\$494	\$2,965	\$2,965	\$2,995
Premium Room**	\$2,483	\$497	\$2,980	\$2,980	\$3,030
Suite Per Bed Buy-Up**	\$533	\$107	\$640	\$640	\$640
<b>Bowen*</b>					
Standard Room	\$1,975	\$395	\$2,370	\$2,370	\$2,390
Premium Room**	\$2,513	\$502	\$3,015	\$3,015	\$3,030
Suite Per Bed Buy-Up**	\$538	\$107	\$645	\$645	\$640
*Rooms include air conditioning.					
**As space is available					
All room rates include laundry, residence hall activity fee, tv service, wi-fi, and computer network access.					

Attachment: WSC Approve Room Board Rates for 2021-22 (2844 : 2021-2022 Room and Board Rates)



**CHADRON STATE COLLEGE  
CHADRON, NE  
RESOLUTION TO WITHDRAW FUNDS**

WHEREAS, Section 5.2 of Article V of the Master Resolution adopted by the Board of Trustees of the Nebraska State Colleges June 11, 2002 requires the Board to operate revenue bond facilities in an efficient, sound and economical manner and as a revenue producing enterprise, maintaining, preserving, and keeping the facilities in good repair, working order, and condition, and from time to time promptly making all necessary and proper repairs, renewals, replacements, additions, extensions and betterments thereto, and,

WHEREAS, Section 3.7(2) of Article III of the Master Resolution states that the Board may expend funds from the Surplus Fund for purposes of making "any extraordinary acquisitions, repairs, renewals, replacements, renovations, equippings and furnishings to the Facilities," and,

WHEREAS, certain repairs, remodeling and furnishings are required in the revenue bond facilities at Chadron State College in order to maintain the maximum use and occupancy of the facilities, and,

WHEREAS, there is on deposit with BOKF National Association, Lincoln, Nebraska, Trustee, as of December 31, 2020 in the Surplus Fund not less than the amount requested, which funds are restricted for use on revenue bond properties.

BE IT RESOLVED that the Board of Trustees of the Nebraska State Colleges, in compliance of the Master Resolution, does approve and hereby directs BOKF National Association Lincoln, Nebraska to pay appropriate orders out of the Series 2002 Surplus Fund for the following:

1. Andrews Hall	Lighting Retrofit	10,000
2. Campuswide	Entrance Upgrades/Security/Bathroom Improvements/Room Updates	35,000
3. Campuswide	Facility Master Plan	46,000
4. Campuswide	Furnishings/Flooring/Repairs/Equipment	30,000
5. Campuswide	Mechanical Room/Infrastructure Upgrades Asbestos Abatement	25,000
6. Crites Hall	Elevator Upgrade	220,000
7. Student Center	Chiller Replacement	154,000
8. Student Center	Equipment/Furnishings	30,000
<b>TOTAL - Not-to-Exceed -</b>		<b>\$550,000</b>

C E R T I F I C A T E

I, the undersigned, Paul Turman, being duly appointed Chancellor of the Board of Trustees of the Nebraska State Colleges, hereby certify that the foregoing Resolution was adopted in a regularly called meeting of January 13, 2021.

IN WITNESS WHEREOF, I have hereunto affixed my signature this 13th day of January 2021.

\_\_\_\_\_  
Paul Turman, Chancellor

**PERU STATE COLLEGE  
PERU, NE**

**RESOLUTION TO WITHDRAW FUNDS**

WHEREAS, Section 5.2 of Article V of the Master Resolution adopted by the Board of Trustees of the Nebraska State Colleges June 11, 2002 requires the Board to operate revenue bond facilities in an efficient, sound and economical manner and as a revenue producing enterprise, maintaining, preserving, and keeping the facilities in good repair, working order, and condition, and from time to time promptly making all necessary and proper repairs, renewals, replacements, additions, extensions and betterments thereto, and,

WHEREAS, Section 3.7(2) of Article III of the Master Resolution states that the Board may expend funds from the Surplus Fund for purposes of making "any extraordinary acquisitions, repairs, renewals, replacements, renovations, equippings and furnishings to the Facilities," and,

WHEREAS, certain repairs, remodeling and furnishings are required in the revenue bond facilities at Peru State College in order to maintain the maximum use and occupancy of the facilities, and,

WHEREAS, there is on deposit with BOKF National Association, Lincoln, Nebraska, Trustee, as of December 31, 2020 in the Surplus Fund not less than the amount requested, which funds are restricted for use on revenue bond properties.

BE IT RESOLVED that the Board of Trustees of the Nebraska State Colleges, in compliance of the Master Resolution, does approve and hereby directs BOKF National Association, Lincoln, Nebraska to pay appropriate orders out of the Series 2002 Surplus Fund for the following:

1. Apartments/Residence Halls	Abatement/Flooring/Furnishings/Repairs	120,000
2. Apartments/Residence Halls	Tuckpointing	120,000
3. Centennial Complex	Roof Replacement	300,000
4. Residence Halls	Evacuation Signs	15,000
5. Residence Halls	Misc Fire Safety/Fire Panel Upgrades	12,500
6. Student Center	Food Service Equipment	12,500
7. Student Center	Furnishings	10,000

**TOTAL - Not-to-Exceed -** \$590,000

C E R T I F I C A T E

I, the undersigned, Paul Turman, being duly appointed Chancellor of the Board of Trustees of the Nebraska State Colleges; hereby certify that the foregoing Resolution was adopted in a regularly called meeting of January 13, 2021.

IN WITNESS WHEREOF, I have hereunto affixed my signature this 13th day of January 2021.

\_\_\_\_\_  
Paul Turman, Chancellor

**WAYNE STATE COLLEGE  
WAYNE, NE  
RESOLUTION TO WITHDRAW FUNDS**

WHEREAS, Section 5.2 of Article V of the Master Resolution adopted by the Board of Trustees of the Nebraska State Colleges June 11, 2002 requires the Board to operate revenue bond facilities in an efficient, sound and economical manner and as a revenue producing enterprise, maintaining, preserving, and keeping the facilities in good repair, working order, and condition, and from time to time promptly making all necessary and proper repairs, renewals, replacements, additions, extensions and betterments thereto, and,

WHEREAS, Section 3.7(2) of Article III of the Master Resolution states that the Board may expend funds from the Surplus Fund for purposes of making "any extraordinary acquisitions, repairs, renewals, replacements, renovations, equippings and furnishings to the Facilities," and,

WHEREAS, certain repairs, remodeling and furnishings are required in the revenue bond facilities at Wayne State College in order to maintain the maximum use and occupancy of the facilities, and,

WHEREAS, there is on deposit with BOKF National Association, Lincoln, Nebraska, Trustee, as of December 31, 2020 in the Surplus Fund not less than the amount requested, which funds are restricted for use on revenue bond properties.

BE IT RESOLVED that the Board of Trustees of the Nebraska State Colleges, in compliance of the Master Resolution, does approve and hereby directs BOKF National Association Lincoln, Nebraska to pay appropriate orders out of the Series 2002 Surplus Fund for the following:

1. Bowen Hall	Apartment Upgrades	25,000
2. Campuswide	Grounds Improvements/Equipment/ Roof Repairs	48,000
3. Campuswide	Technology Replacement	12,000
4. Indoor Athletic Complex	Tuckpointing	80,000
5. Indoor Athletic Complex	Equipment/Repairs/Furnishings/Flooring	19,000
6. Food Service	Equipment/Repairs/Furnishings/Flooring	59,000
7. Morey Hall	Restroom Upgrades – First Floor	130,000
8. Morey Hall	Restroom Upgrades – Second Floor	430,000
9. Neihardt Hall	HVAC Upgrades	195,000
10. Neihardt Hall	Roof Replacement	200,000
11. Recreation Center	Equipment/Repairs/Furnishings/Flooring	55,000
12. Residence Halls	Equipment/Repairs/Furnishings/Flooring	96,000
13. Student Center	Equipment/Repairs/Furnishings/Flooring	153,000
14. Student Center	HVAC Upgrade-East Penthouse	410,000

**TOTAL - Not-to-Exceed - \$1,912,000**

**C E R T I F I C A T E**

I, the undersigned, Paul Turman, being duly appointed Chancellor of the Board of Trustees of the Nebraska State Colleges, hereby certify that the foregoing Resolution was adopted in a regularly called meeting of January 13, 2021.

IN WITNESS WHEREOF, I have hereunto affixed my signature this 13<sup>th</sup> day of January 2021.

\_\_\_\_\_  
Paul Turman, Chancellor

Attachment: WSC RES 2021 (2845 : Contingency Maintenance Requests)

## ITEMS FOR DISCUSSION AND ACTION FISCAL, FACILITIES AND AUDIT

January 13, 2021

**ACTION:** **Approve Program Statement Addendum Revising Project Funding and Schedule for Peterson Fine Arts for Wayne State College**

Wayne State recommends approval of an addendum to the Peterson Fine Arts Renovation program statement. The original program statement was approved by the Board on November 14, 2019. Since that time, the College has worked with the architect, Jackson-Jackson & Associates, Inc., and the System Office to revise the funding and schedule for the project.

When COVID-19 first struck in the spring of 2020, this project was put on hold. Since then, it has become clear that donations and other funding would not materialize at levels proposed in the approved program statement. Thus, Wayne State and the System Office requests a formal revision to both the project funding and schedule, through Board approval of an addendum to the program statement. The addendum revises pages 44 and 45, and is included here as an attachment.

The original Program Statement (Nov. 14, 2019) project funding was approved by the Board as follows:

College Cash	\$4,420,000
LB309 Task Force	\$1,880,000
Donations	\$2,000,000
Other/Community	\$2,000,000
<b>Total Funding</b>	<b>\$10,300,000</b>

The proposed revised project funding per the attached program statement addendum is:

College Cash	\$7,920,000
LB309 Task Force	\$1,880,000
Donations	\$500,000
Other/Community	\$0
<b>Total Funding</b>	<b>\$10,300,000</b>

In summary, the difference is that additional College Cash in the amount of \$3,500,000 will offset the decline in anticipated Donations and Other/Community funds totaling -\$3,500,000.

An analysis of WSC cash funds projects that the cash fund balance on June 30, 2021 will be adequate to cover the additional cash funds required for the project, while remaining above the required cash reserve. While this specific action is to approve a change to the Program Statement, the actual Guaranteed Maximum Price (GMP) for the project will not be set until the Board takes action to earmark those cash funds for the project later in 2021.

With approval of this Board item, design would start immediately, and the project would no longer be on hold. Thus, the program statement addendum also modifies the project schedule. Rather than start construction in May of 2021, as originally anticipated in the approved program statement, that start date is pushed back to September of 2021. Also, completion of construction is revised from July of 2022 to November, 2022.

The System Office and Wayne State College recommend approval of the Program Statement Addendum for Peterson Fine Arts for Wayne State College.

**ATTACHMENTS:**

- WSC Peterson - Program Statement Addendum (PDF)

# WAYNE STATE COLLEGE

## PETERSON FINE ARTS RENOVATION AND ADDITION

Program Statement *Addendum*  
November 14, 2019 - *Revised January 13, 2021*



Mission Statement of Wayne State College: Learning Excellence, Student Success, Regional Service

Wayne State College is a comprehensive institution of higher education dedicated to freedom of inquiry, excellence in teaching and learning, and regional service and development.

Offering affordable undergraduate and graduate programs, the College prepares students for careers, advanced study, and civic involvement. The College is committed to faculty-staff-student interaction, public service, and diversity within a friendly and collegial campus community.

### JACKSON-JACKSON & ASSOCIATES, INC

6912 N. 97<sup>th</sup> Circle, Suite 1 • Omaha, Nebraska 68122 • 402.391.3999  
www.jackson-jacksonassociates.com • jackson-jackson@jjaarchitects.com



## A. Total Funds Required

The total funds required for this project are \$10,300,000.00.

## B. Project Funding Sources

Anticipated funding sources and percentages of project cost:

<b>Funding Source</b>	<b>% of Funds</b>	<b>Amount</b>
<i>State Funds</i>	0.00%	\$0.00
<i>Cash Funds</i>	76.89%	\$7,920,000.00
<i>Federal Funds</i>	0.00%	\$0.00
<i>LB 309 Funds</i>	18.25%	\$1,880,000.00
<i>Revenue Bonds</i>	0.00%	\$0.00
<i>Private Donations</i>	4.86%	\$500,000.00
<i>Capital Improvement Fees</i>	0.00%	\$0.00
<b>Total</b>	<b>100%</b>	<b>\$10,300,000.00</b>

## C. Fiscal Year Expenditures for Project Duration

<b>Project Milestone</b>	<b>Fiscal Year</b>	<b>% of Funds</b>	<b>Amount</b>
<i>Program Statement</i>	2018-2019	0.63%	\$64,600.00
<i>Design / Schematic Development</i>	2020-2021	2.54%	\$262,010.00
<i>Construction Documents</i>	2020-2022	2.91%	\$299,440.00
<i>Construction</i>	2021-2023	92.18%	\$9,494,513.28
<i>Furnishings and Equipment</i>	2022-2023	1.74%	\$179,436.72
<b>Total</b>		<b>100.00%</b>	<b>\$10,300,000.00</b>

# TIMELINE

<b>Project Milestones</b>	<b>Start Date</b>	<b>Completion Date</b>
Program Statement .....	March 4, 2019 .....	September 2019
Program Statement – Board Approval .....		November 2019
Program Statement Addendum – Board Approval.....		January 13, 2021
Funding.....	November 2019 .....	June 2021
Professional Consultants Selection.....	November 2019 .....	January 2020
CM at Risk Selection.....	January 2021 .....	February 2021
Schematic Design / Design Development .....	January 2021 .....	June 2021
Design Development – Board Approval .....		June 17, 2021
Construction Documents .....	June 2021 .....	August 2021
Bid Phase.....	August 2021 .....	August 2021
Guaranteed Maximum Price (GMP) Approved.....		August 2021
Completion of Construction .....	September 2021 .....	November 2022

Attachment: WSC Peterson - Program Statement Addendum (2846 : Program Statement Addendum for Peterson Fine Arts for Wayne State



**CHANCELLOR INFORMATIONAL ITEMS**

January 13, 2021

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**INFORMATION ONLY:      Reports of Personnel Actions**

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The personnel action reports are provided to the Board for information

Board Policy 5021 states that all full-time (0.75 FTE or more) and part-time (less than 0.75 FTE) personnel appointments must be reviewed and approved by the President and reported to the Chancellor. All full-time employment separations are also reported to the Chancellor. The Chancellor is required to report these changes along with changes to the System Office staffing to the Board on a regular basis.

**ATTACHMENTS:**

- CSC Personnel Report January 2021      (PDF)
- PSC Personnel Report January 2021      (PDF)
- WSC Personnel Report January 2021      (PDF)

## REPORT OF PERSONNEL ACTIONS TO THE CHANCELLOR

COLLEGE:

Chadron State College

MEETING DATE:

January 13, 2021

RANKED FACULTY (FULL-TIME/.75 FTE OR MORE)								
Name	Title/Assignment	Rank	Salary	Funding Source	Period of Employment	FTE	Reason for Action	Type of Appointment
Roweton, William	Professional Studies	Professor	102,483	State	01/09/1984-12/31/2020	1.00	Retirement	NA

NON RANKED FACULTY (FULL-TIME/.75 FTE OR MORE)								
Name	Title/Assignment	Rank	Salary	Funding Source	Period of Employment	FTE	Reason for Action	Type of Appointment
Badura, Victoria	Adjunct	NA	\$2,550	State	10/05/2020-11/25/2020	NA	Teaching: BIS 231 (3 cr hr)	Special
Dabbs-Groot, Linda	Adjunct	NA	\$850	State	10/05/2020-11/25/2020	NA	Teaching: TH 115 (1 cr hr)	Special
Dorwart, Jennifer	Adjunct	NA	\$2,550	State	10/05/2020-11/25/2020	NA	Teaching: MGMT 610 (3 cr hr)	Special
Gallegos, Nathaniel	Adjunct	NA	\$2,550	State	10/05/2020-11/25/2020	NA	Teaching: BA 337 (3 cr hr)	Special
Humphrey, Rachel	Adjunct	NA	\$2,550	State	10/05/2020-11/25/2020	NA	Teaching: MGMT 230 (3 cr hr)	Special
Jamison, Todd	Adjunct	NA	\$2,550	State	10/05/2020-11/25/2020	NA	Teaching: BIS 235 (3 cr hr)	Special
Kant, Jack	Adjunct	NA	\$2,550	State	10/05/2020-11/25/2020	NA	Teaching: ECON 237 (3 cr hr)	Special
Knutson, Jennifer	Adjunct	NA	\$2,550	State	10/05/2020-11/25/2020	NA	Teaching: EDAD 632 (3 cr hr)	Special
Mooney, Edward	Adjunct	NA	\$2,550	State	10/05/2020-11/25/2020	NA	Teaching: EDUC 440/540 (3 cr hr)	Special
Redden, Caitlin	Adjunct	NA	\$2,550	State	10/05/2020-11/25/2020	NA	Teaching: MGMT 430 (3 cr hr)	Special
Shatto, Maci	Adjunct	NA	\$5,100	State	10/05/2020-11/25/2020	NA	Teaching: SPED 334 (6 cr hr)	Special
Smiley, Nicole	Adjunct	NA	\$2,550	State	10/05/2020-11/25/2020	NA	Teaching: HPER 233 (3 cr hr)	Special
Stephens, Jondell	Adjunct	NA	\$2,550	State	10/05/2020-11/25/2020	NA	Teaching: BIS 337 (3 cr hr)	Special

**REPORT OF PERSONNEL ACTIONS TO THE CHANCELLOR**

**COLLEGE:** Chadron State College

**MEETING DATE:** January 13, 2021

<b>NON RANKED FACULTY</b> (FULL-TIME/.75 FTE OR MORE)								
Name	Title/Assignment	Rank	Salary	Funding Source	Period of Employment	FTE	Reason for Action	Type of Appointment
Taylor, Jennifer	Adjunct	NA	\$2,550	State	10/05/2020-11/25/2020	NA	Teaching: COUN 123 (3 cr hr)	Special
Whitney, Talma	Adjunct	NA	\$850	State	10/05/2020-11/25/2020	NA	Teaching: EDUC 271 (1 cr hr)	Special

<b>UNIONIZED PROFESSIONAL STAFF</b> (FULL-TIME/.75 FTE OR MORE)								
Name	Title/Assignment	Rank	Salary	Funding Source	Period of Employment	FTE	Reason for Action	Type of Appointment
Ackerman, Bridget	Senior Admissions Counselor	NA	\$41,037 prorated \$27,385	State	11/01/2020-06/30/2021	1.00	Title/Salary Change	NA
Berger, Phillip	Project Coordinator	NA	\$37,579	State	08/20/2019-11/29/2020	1.00	Resignation	NA
Berger, Phillip	IT Technician	NA	\$42,053 prorated \$24,697	State	11/30/2020-06/30/2021	1.00	New appointment replaces Giorgi	Special
Brumbaugh, Torri	Admissions Counselor	NA	\$38,950 prorated \$25,966	State	11/01/2020-06/30/2021	1.00	Title change	NA
Cooper, Cody	Admissions Counselor	NA	\$38,950 prorated \$25,966	State	11/01/2020-06/30/2021	1.00	Title change	NA
Feddersen, Caitlin	Admissions Representative	NA	\$38,000 prorated \$27,492	State	10/12/2020-06/30/2021	1.00	New appointment replaces Mack	NA
Feddersen, Caitlin	Admissions Counselor	NA	\$38,950 prorated \$25,966	State	11/01/2020-06/30/2021	1.00	Title change	NA
Gaswick, Kaylee	Admissions Counselor	NA	\$41,513 prorated \$27,675	State	11/01/2020-06/30/2021	1.00	Title change	NA
Gudeta, Simon	IT Specialist	NA	\$52,154 prorated \$36,349	State	10/21/2020-06/30/2021	1.00	New appointment replaces Wellnitz	Special
Gudeta, Simon	IT Technician	NA	\$42,655	State	12/12/2017-10/20/2020	1.00	Resignation	NA

Attachment: CSC Personnel Report January 2021 (2855 : Reports of Personnel Actions)

**REPORT OF PERSONNEL ACTIONS TO THE CHANCELLOR**

**COLLEGE:** Chadron State College

**MEETING DATE:** January 13, 2021

<b>UNIONIZED PROFESSIONAL STAFF</b> (FULL-TIME/.75 FTE OR MORE)								
Name	Title/Assignment	Rank	Salary	Funding Source	Period of Employment	FTE	Reason for Action	Type of Appointment
Jersild, Craig	Football Coordinator-Defensive	NA	\$51,250	State	07/01/2019-10/22/2020	1.00	Resignation	NA
Ledbetter, Elizabeth	Instructional Technology and Design Specialist	NA	\$65,004	State	05/01/2014-01/01/2021	1.00	Retirement	NA
Osmotherly, Taylor	Associate Director Residence Life	NA	\$5,000	State	11/01/2020-06/30/2021	1.00	Additional duties	NA
Sasse, Clint	Football Coordinator-Defensive	NA	\$42,025	State	11/18/2020-06/30/2021	1.00	New appointment replace Jersild	Special
Sasse, Clint	Assistant Coach	NA	\$51,250 prorated \$31,726	State	04/02/2019-11/17/2020	1.00	Resignation	NA
Smith, Sara	Campus Visit Coordinator	NA	\$45,348 prorated \$30,232	State	11/01/2020-06/30/2021	1.00	Title/Salary change	NA
Sugroue, Naomi	Admissions Data Coordinator	NA	\$35,875 prorated \$23,916	State	11/01/2020-06/30/2021	1.00	Title change	NA

<b>NON UNIONIZED PROFESSIONAL STAFF</b> (PART-TIME/LESS THAN .75 FTE)								
Name	Title/Assignment	Rank	Salary	Funding Source	Period of Employment	FTE	Reason for Action	Type of Appointment
Maier, Riley	Graduate Assistant	NA	\$4,000	State	01/11/2021-05/07/2021	NA	Appointment	Special
Mbang, Adoum	Graduate Assistant	NA	\$4,000	State	01/11/2021-05/07/2021	NA	Appointment	Special
Swanson, Abigail	Graduate Assistant	NA	\$4,000	State	01/11/2021-05/07/2021	NA	Appointment	Special

Attachment: CSC Personnel Report January 2021 (2855 : Reports of Personnel Actions)

**REPORT OF PERSONNEL ACTIONS TO THE CHANCELLOR**

**COLLEGE:** Chadron State College

**MEETING DATE:** January 13, 2021

<b>UNIONIZED SUPPORT STAFF</b> (FULL-TIME/.75 FTE OR MORE)								
Name	Title/Assignment	Rank	Salary	Funding Source	Period of Employment	FTE	Reason for Action	Type of Appointment
Carnahan, Melody	Office Assistant II	NA	\$3,119	State	07/11/2016-04/30/2021	1.00	Retirement	NA
Kearns, Shanae	Custodian	NA	\$1,853	Rev Bond	11/11/2020	1.00	New hire replaces Damico	Probationary
McCarthy, Tyler	Office Assistant II	NA	\$2,053	State	09/23/2019-12/23/2020	1.00	Resignation	NA
Mendyka, Jennifer	Office Assistant III	NA	\$2,303	State	08/01/2017-11/06/2020	1.00	Resignation	NA
Murphy, Kelly	Office Assistant II	NA	\$2,053	State	1/11/2021	1.00	New hire replaces McCarthy	Probationary
VanHorn, Zachariah	MRW II	NA	\$2,260	State	10/14/2020	1.00	New hire replaces Draper	Probationary
<b>NON UNIONIZED SUPPORT STAFF</b> (FULL-TIME/.75 FTE OR MORE)								
Name	Title/Assignment	Rank	Salary	Funding Source	Period of Employment	FTE	Reason for Action	Type of Appointment
Nobiling, Alexandria	Office Assistant II	NA	\$2,166.67	State	11/12/2020	1.00	New Hire replaces Strotheide	Probationary

Attachment: CSC Personnel Report January 2021 (2855 : Reports of Personnel Actions)

**REPORT OF PERSONNEL ACTIONS TO THE CHANCELLOR**  
**COLLEGE: Peru State College**  
**MEETING DATE: January 13, 2021**

<b>UNIONIZED PROFESSIONAL STAFF</b> (FULL-TIME/.75 FTE OR MORE)								
Name	Title/Assignment	Rank	Salary	Funding Source	Period of Employment	FTE	Reason for Action	Type of Appointment
Cook, Hannah	Admissions Counselor	N/A	\$34,561.00	State	07/01/2020 - 06/30/2021	1.000	Title Change	N/A
Eickhoff, Ashleigh	Senior Admissions Counselor	N/A	\$40,995.00 prorated \$27,330.00	State	07/01/2020 - 06/30/2021	1.000	Title/Salary Change	N/A
Jones, Sherry	Assessment and Accreditation Coordinator	N/A	\$45,259.00	State	03/01/2012 - 10/16/2020	1.000	Resignation	N/A
Kamenar, Tereza	Project Coordinator	N/A	\$38,965.00	State	03/13/2017 - 10/31/2020	1.000	Resignation	N/A
Koso, Maureen	Admissions Counselor	N/A	\$34,561.00	State	07/01/2020 - 06/30/2021	1.000	Title Change	N/A
Pugh, Debra	Assistant Director-Financial Aid	N/A	\$42,016.00	State	04/01/2013 - 11/06/2020	1.000	Resignation	N/A
Wegener, Austin	Senior Admissions Counselor	N/A	\$37,600.00 prorated \$25,066.00	State	07/01/2020 - 06/30/21	1.000	Title/Salary Change	N/A
Volker, Emily	Acedemic Advisor	N/A	\$42,750.00 prorated \$28,602.00	State	06/03/2013 - 06/30/2021	1.000	Reclasification	N/A

<b>NON UNIONIZED PROFESSIONAL STAFF</b> (FULL-TIME/.75 FTE OR MORE)								
Name	Title/Assignment	Rank	Salary	Funding Source	Period of Employment	FTE	Reason for Action	Type of Appointment
Neveau, Adam	Director of Residence Life	N/A	\$51,675.00	Revenue Bond	01/19/2015 - 12/04/2020	1.000	Resignation	N/A
Rinne, Heather	Registrar	N/A	\$60,000.00 prorated \$45,230.00	State	09/21/2020 - 06/30/21	1.000	New appointment replaces Deann Bayne	Special

Attachment: PSC Personnel Report January 2021 (2855 : Reports of Personnel Actions)

**REPORT OF PERSONNEL ACTIONS TO THE CHANCELLOR**  
**COLLEGE: Peru State College**  
**MEETING DATE: January 13, 2021**

<b>UNIONIZED SUPPORT STAFF</b> (FULL-TIME/.75 FTE OR MORE)								
Name	Title/Assignment	Rank	Salary	Funding Source	Period of Employment	FTE	Reason for Action	Type of Appointment
Eickhoff, Sarah	Custodian	N/A	\$1,853.91/mo	Revenue Bond	12/04/2017 - 10/19/2020	1.000	Resignation	N/A
Gilbert, Trevor	MRW II	N/A	\$2,139.75/mo	State	10/19/2020 - 06/30/2021	1.000	New Hire replaces Raymond Neeman	Probationary
Haynes, William	MRW II	N/A	\$2,296.67/mo.	State	11/02/2020 - 06/30/2021	1.000	New Hire replaces John Coonce	Probationary
Lawson, Tayha	OA II	N/A	\$1,994.08/mo	State	11/02/2020-06/30/2021	1.000	New Hire replaces Malinda Edris	Probationary

Attachment: PSC Personnel Report January 2021 (2855 : Reports of Personnel Actions)

**REPORT OF PERSONNEL ACTIONS TO THE CHANCELLOR**  
**COLLEGE: Wayne State College**  
**MEETING DATE: January 13, 2021**

<b>RANKED FACULTY</b> (FULL-TIME/.75 FTE OR MORE)								
Name	Title/Assignment	Rank	Salary	Funding Source	Period of Employment	FTE	Reason for Action	Type of Appointment
Christensen, Douglas	Life Sciences	Professor	\$7,692.00	Grant	09/01/20-04/30/21	NA	WSC INBRE Steering Committee	Special
Hanson, Brian	History, Politics, and Geography	Assistant Professor	\$1,000.00	State	08/17/20-05/07/21	NA	RLOP Program	Special
Miller-Niles, Angela	Music	Associate Professor	\$500.00	State	09/20/20	NA	Beethoven Festival Concert at CSC	Special
Mutehart, Michael	Life Sciences	Assistant Professor	\$50,105.00	State	08/20/21-05/11/22	NA	New Appointment, replaces Glenn Kietzmann	Tenure Track
Pearcy, Shawn	Life Sciences	Professor	\$7,842.00	Grant	09/01/20-04/31/21	NA	INBRE Steering Committee	Special

<b>NON RANKED FACULTY</b> (PART-TIME/LESS THAN .75 FTE)								
Name	Title/Assignment	Rank	Salary	Funding Source	Period of Employment	FTE	Reason for Action	Type of Appointment
Fick, Kathleen	Adjunct	NA	\$2,550.00	State	10/05/20-11/25/20	NA	MLC 110-0002 (3 cr hrs)	Special
Gorden, Alexandria	Graduate Assistant	NA	\$1,000.00	State	11/01/20-05/07/21	NA	Rugby Club up to 100 hours at \$10/hr	Special
King, Melissa	Adjunct	NA	\$2,533.00	State	08/17/20-12/02/20	NA	MUS 118-0001 (0.66 cr hr), MUS 118-0002 (0.66 cr hr), MUS 146-0001 (1 cr hr), and MUS 318-0002 (0.66 cr hr)	Special
Magnuson, Grant	Adjunct	NA	\$2,550.00	State	10/05/20-11/25/20	NA	ITE 510-00W0 (3 cr hrs)	Special
Meyer, Blaine	Adjunct	NA	\$2,550.00	State	08/17/20-12/02/20	NA	PED 287-0W60 (3 cr hrs)	Special
Nuss, Angela	Graduate Assistant	NA	\$2,550.00	State	08/17/20-12/02/20	NA	PED 207-0W60 (3 cr hrs)	Special
Pofahl, Levi	Adjunct	NA	\$2,550.00	State	08/17/20-12/02/20	NA	PED 130-0W60 (3 cr hrs)	Special
Ruhl, Sylvia	Adjunct	NA	\$104.00	State	10/12/20-10/16/20	NA	CPC Exam up to 6.50 hours at \$16/hr	Special

Attachment: WSC Personnel Report January 2021 (2855 : Reports of Personnel Actions)

**REPORT OF PERSONNEL ACTIONS TO THE CHANCELLOR**  
**COLLEGE: Wayne State College**  
**MEETING DATE: January 13, 2021**

<b>NON RANKED FACULTY</b> (PART-TIME/LESS THAN .75 FTE)								
Name	Title/Assignment	Rank	Salary	Funding Source	Period of Employment	FTE	Reason for Action	Type of Appointment
Stroessner, Aaron	Adjunct	NA	\$1,122.00	State	08/17/20-12/02/20	NA	MUS 129-00W0 (0.66 cr hr) and MUS 129-00W1 (0.66 cr hr)	Special
Tucker, Anne	Adjunct	NA	\$850.00	State	10/05/20-11/25/20	NA	EDU 457/557-00W0 (1 cr hr)	Special

<b>UNIONIZED PROFESSIONAL STAFF</b> (FULL-TIME/.75 FTE OR MORE)								
Name	Title/Assignment	Rank	Salary	Funding Source	Period of Employment	FTE	Reason for Action	Type of Appointment
Ankeny, Valerie	Coordinator of Conferencing	NA	\$38,663.00 Prorated \$31,780.00	State and Revenue Bond	09/04/20-06/30/21	1.000	Reclassification	NA
Canham, Jennifer	Campus Visits Coordinator	NA	\$43,050.00 Prorated \$28,700.00	State	11/01/20-06/30/21	1.000	Title/Salary Change	NA
Derechailo, Melissa	Theatre Technician	NA	\$1,700.00	State	08/17/20-11/25/20	NA	MUS 420-0W60 (2 cr hrs)	NA
Filkins, Benjamin	Assistant Director-Residence Life	NA	\$36,457.00	Revenue Bond	07/25/18-09/26/20	NA	Resignation	NA
Gubbels, Amanda	Admissions Counselor	NA	\$35,875.00	State	11/01/20-06/30/21	1.000	Title Change	NA
Hartnett, Daniel	Assistant Director-Admissions	NA	Prorated \$28,740.00	State	11/01/20-06/30/21	1.000	Title/Salary Change	NA
Henriksen, Emily	Academic Advisor	NA	\$43,000.00 Prorated \$34,857.00	State	09/09/20-06/30/21	1.000	New Appointment	Special
Hjorth, Jacob	Senior Admissions Counselor	NA	\$38,611.00 Prorated \$25,741.00	State	11/01/20-06/30/21	1.000	Title/Salary Change	NA
Janke, Kathy	Coordinator of Admissions Services	NA	\$41,944.00 Prorated \$33,524.00	State	09/14/20-06/30/21	1.000	NSCPA Section 4.2	NA
Janke, Kathy	Admissions Data Coordinator	NA	\$41,944.00	State	11/01/20-06/30/21	1.000	Title Change	NA
Krueger, Jacob	IT Analyst	NA	\$58,301.00	State	02/27/12-10/06/20	NA	Resignation	NA

Attachment: WSC Personnel Report January 2021 (2855 : Reports of Personnel Actions)

**REPORT OF PERSONNEL ACTIONS TO THE CHANCELLOR**  
**COLLEGE: Wayne State College**  
**MEETING DATE: January 13, 2021**

<b>UNIONIZED PROFESSIONAL STAFF</b> (FULL-TIME/.75 FTE OR MORE)								
Name	Title/Assignment	Rank	Salary	Funding Source	Period of Employment	FTE	Reason for Action	Type of Appointment
Levinson, Pamela	Student Activities Coordinator	NA	\$39,520.00 Prorated \$32,485.00	State	09/04/20- 06/30/21	1.000	FTE Increase	NA
McAllister, Denise	Senior Admissions Counselor	NA	\$38,611.00 Prorated \$25,741.00	State	11/01/20- 06/30/21	1.000	Title/Salary Change	NA
Parsley, Morgan	Senior Admissions Counselor	NA	\$38,611.00 Prorated \$25,741.00	State	11/01/20- 06/30/21	1.000	Title/Salary Change	NA
Piper, Jessica	Internship Coordinator	NA	\$2,000.00	State	10/01/20- 05/31/21	NA	Volleyball up to a 80 hours at \$25/hr	NA
Trujillo, Eva	IT Technician	NA	\$42,053.00 Prorated \$33,770.00	State	09/11/20- 06/30/21	1.000	New Appointment, replaces Andrew Duke	Special
Waggoner, Tabetha	Licensed Student Counselor	NA	\$850.00	State	10/05/20- 11/25/20	NA	CSL 105- 00W1 (1 cr hr)	Special

<b>NON UNIONIZED PROFESSIONAL STAFF</b> (FULL-TIME/.75 FTE OR MORE)								
Name	Title/Assignment	Rank	Salary	Funding Source	Period of Employment	FTE	Reason for Action	Type of Appointment
Goeden, Henry	Assistant Director-Admissions	NA	\$47,000.00 Prorated \$31,334.00	State	11/01/20- 06/30/21	1.000	Title/Salary Change	NA
Guzman, Veronica	Assistant Director-Admissions	NA	\$50,000.00 Prorated \$33,334.00	State	11/01/20- 06/30/21	1.000	Title/Salary Change	NA
Liggins, Ronald	Dean (School of Science, Health, and Criminal Justice)	NA	\$10,834.00	State	08/01/20- 05/31/21	NA	Additional duties	NA
McClain, Kevin	Director of Student Diversity and Inclusion	NA	\$60,000.00 Prorated \$37,620.00	State	11/16/20- 06/30/21	1.000	New Appointment	Special
Shudak, Nicholas	Dean (School of Education and Behavioral Sciences)	NA	\$10,834.00	State	08/01/20- 05/31/21	NA	Additional duties	NA
Taoka, Yasuko	Dean (School of Arts and Humanities)	NA	\$10,834.00	State	08/01/20- 05/31/21	NA	Additional duties	NA

**REPORT OF PERSONNEL ACTIONS TO THE CHANCELLOR**  
**COLLEGE: Wayne State College**  
**MEETING DATE: January 13, 2021**

<b>UNIONIZED SUPPORT STAFF</b> (FULL-TIME/.75 FTE OR MORE)								
Name	Title/Assignment	Rank	Salary	Funding Source	Period of Employment	FTE	Reason for Action	Type of Appointment
Anderson, Dwight	Maintenance Repair Worker II	NA	\$2,139.75/mo.	Revenue Bond	07/01/19-10/02/20	NA	Resignation	NA
Daniels, Lisa	Custodian	NA	\$1,853.92/mo.	Revenue Bond	09/15/20-06/30/21	1.000	New Hire, replaces Jill Bessmer	Probationary
Donner, Colette	Custodian	NA	\$2,644.25/mo.	State	08/01/03-03/24/21	NA	Early Retirement	NA
Mandeville, Megan	Security Officer II	NA	\$2,303.67/mo.	Revenue Bond	06/10/19-11/13/20	NA	Resignation	NA
Paulson, Debra	Custodian	NA	\$2,906.50/mo.	State	04/12/93-03/15/21	NA	Early Retirement	NA

**CHANCELLOR INFORMATIONAL ITEMS**

January 13, 2021

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**INFORMATION ONLY: Grant Applications and Awards**

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Board Policy 6024 requires the reporting of grant awards and applications to the Board as information, if they do not have a state maintenance of effort or future fiscal responsibility.

**Chadron State Awards**

- Behavioral Health Education Center of Nebraska (BHECN) Panhandle (Behavioral Health Education Center of Nebraska [BHECN]) -- \$23,701.35
- Nebraska Behavioral Health Jobs (Behavioral Health Education Center of Nebraska [BHECN]) -- \$2,000

**Peru State Application**

- America Walks - Community Change Grant (America Walks) -- \$1,500

**Wayne State Application**

- Nebraska Business Development Center (U.S. Small Business Administration) -- \$73,000

**ATTACHMENTS:**

- CSC Grant Award-BHECN Panhandle Addendum (PDF)
- CSC Grant Award-Nebraska Behavioral Health Jobs (PDF)
- PSC Grant Application - America Walks (PDF)
- WSC Grant Application - Nebraska Business Development Center (PDF)

## NOTICE OF INTENT TO APPLY FOR, OR TO ACCEPT, AWARDS OF NON-STATE CONTRACTS OR GRANTS

College: Chadron State College		Date: January 13, 2021
Notice of Intent	Application:	Accept Award: X
Name of Program: Behavioral Health Education Center of Nebraska (BHECN) Panhandle		
Funding Source: Behavioral Health Education Center of Nebraska (BHECN) Also indicate if the source is federal, state or private: State		
Is this grant a <b>Sub-Award</b> ?		Yes: X    No:
If a sub-award, indicate the agency the sub-award is through: University of Nebraska Medical Center		
Amount Requested: \$23,701.35	Amount Awarded: \$23,701.35	Funding Period: 7/1/2020 to 06/30/2021 Please indicate specific dates for the grant.
Closing Date for Application Submission: June 2020		
When reporting Grant Award-- Has Grant Application been approved/reviewed by the Board? No		Date Approved/Reviewed:
Does this grant include <b>Indirect Cost Funds</b> for the College's use?		Yes:    No: X
If yes, indicate dollar amount and/or percentage rate allowed:		
Will this grant require <b>State Matching Funds</b> ?		Yes:    No: X
If yes, indicate dollar amount and specific uses of funds (i.e., salaries, honorariums, travel, office supplies, phone, postage, space rental, equipment, etc.):		
Will this grant require <b>In-Kind Support</b> ?		Yes:    No: X
If yes, describe briefly (i.e., faculty release time, support personnel, use of office space, telephone, office supplies, etc.):		
Is <b>State Maintenance of Effort</b> or <b>Future Fiscal Responsibility</b> required?		Yes:    No: X
If yes, describe briefly		
Are there restrictions imposed by regulation on claiming indirect costs?		Yes:    No:
How many FTE positions will the grant fund?		FTE: 0.20 FTE
How many of these are new positions?		New FTE: 0
Briefly describe the purpose(s) of this application/award: Dr. Tara Wilson has been named the co-director of the new BHECN Panhandle. This part-time work will aid in the state's efforts to recruit and retain rural behavioral health professionals.		
Is this grant a continuation of a previous/existing grant?		Yes: X    No:
If a continuation grant, describe the previous grant in terms of amount, funding period, and any differences in program: The mission of the grant is the same as previous years. The funding increased to include 5,000 operating expense.		
Has this grant application been previously denied?		Yes:    No: X
If yes, please state the reason:		
Person responsible for the preparation of the application: Dr. Tara Wilson		
Administrator responsible for approving the application: Dr. Randy Rhine		

## NOTICE OF INTENT TO APPLY FOR, OR TO ACCEPT, AWARDS OF NON-STATE CONTRACTS OR GRANTS

College: Chadron State College		Date: January 13, 2021
Notice of Intent	Application:	Accept Award: X
Name of Program: Nebraska Behavioral Health Jobs		
Funding Source: Behavioral Health Education Center of Nebraska (BHECN) Also indicate if the source is federal, state or private: Private		
Is this grant a <b>Sub-Award</b> ?		Yes: X    No:
If a sub-award, indicate the agency the sub-award is through: University of Nebraska Medical Center		
Amount Requested: \$2,000.00	Amount Awarded: \$2,000.00	Funding Period: 7/1/2020 to 6/30/2021 Please indicate specific dates for the grant.
Closing Date for Application Submission: June 2020		
When reporting Grant Award-- Has Grant Application been approved/reviewed by the Board? No		Date Approved/Reviewed:
Does this grant include <b>Indirect Cost Funds</b> for the College's use?		Yes:    No: X
If yes, indicate dollar amount and/or percentage rate allowed:		
Will this grant require <b>State Matching Funds</b> ?		Yes:    No: X
If yes, indicate dollar amount and specific uses of funds (i.e., salaries, honorariums, travel, office supplies, phone, postage, space rental, equipment, etc.):		
Will this grant require <b>In-Kind Support</b> ?		Yes:    No: X
If yes, describe briefly (i.e., faculty release time, support personnel, use of office space, telephone, office supplies, etc.):		
Is <b>State Maintenance of Effort</b> or <b>Future Fiscal Responsibility</b> required?		Yes:    No: X
If yes, describe briefly		
Are there restrictions imposed by regulation on claiming indirect costs?		Yes:    No: X
How many FTE positions will the grant fund?		FTE: 0
How many of these are new positions?		New FTE:
Briefly describe the purpose(s) of this application/award: The aim of BHECN is to increase behavioral health opportunities and awareness in rural Nebraska. The grant gives trainings, mentorships and an annual conference to encourage their endeavors.		
Is this grant a continuation of a previous/existing grant?		Yes: X    No:
If a continuation grant, describe the previous grant in terms of amount, funding period, and any differences in program: The mission of the grant is the same as previous years. The funding decreased from the prior year at \$5,000.00.		
Has this grant application been previously denied?		Yes:    No: X
If yes, please state the reason:		
Person responsible for the preparation of the application: Dr. Tara Wilson		
Administrator responsible for approving the application: Dr. Randy Rhine		

## NOTICE OF INTENT TO APPLY FOR, OR TO ACCEPT, AWARDS OF NON-STATE CONTRACTS OR GRANTS

College: Peru State College		Date: 11-30-2020
Notice of Intent	Application: X	Accept Award:
Name of Program: America Walks – Community Change Grant		
Funding Source: America Walks Also indicate if the source is federal, state or private Private		
Is this grant a <b>Sub-Award</b> ?	Yes:	No: X
If a sub-award, indicate the agency the sub-award is through:		
Amount Requested: \$1500.00	Amount Awarded:	Funding Period: 1/1/21 to 12/31/21 Please indicate specific dates for the grant.
Closing Date for Application Submission: Nov. 9, 2020		
When reporting Grant Award-- Has Grant Application been approved/reviewed by the Board?		Date Approved/Reviewed:
Does this grant include <b>Indirect Cost Funds</b> for the College's use?	Yes:	No: X
If yes, indicate dollar amount and/or percentage rate allowed:		
Will this grant require <b>State Matching Funds</b> ?	Yes:	No: X
If yes, indicate dollar amount and specific uses of funds (i.e., salaries, honorariums, travel, office supplies, phone, postage, space rental, equipment, etc.):		
Will this grant require <b>In-Kind Support</b> ?	Yes:	No: X
If yes, describe briefly (i.e., faculty release time, support personnel, use of office space, telephone, office supplies, etc.):		
Is <b>State Maintenance of Effort</b> or <b>Future Fiscal Responsibility</b> required?	Yes:	No: X
If yes, describe briefly		
Are there restrictions imposed by regulation on claiming indirect costs?	Yes:	No: X
How many FTE positions will the grant fund?	FTE: 0	
How many of these are new positions?	New FTE:	
Briefly describe the purpose(s) of this application/award: Grant funds will be used to renovate and revitalize the Campus of a Thousand Oaks Trail at Peru State College and promotion of the trail in the form of a kickoff event and initiation of a walking club. Funding will provide support for supplies, trail markers, and benches.		
Is this grant a continuation of a previous/existing grant?	Yes:	No: X
If a continuation grant, describe the previous grant in terms of amount, funding period, and any differences in program:		
Has this grant application been previously denied?	Yes:	No: X
If yes, please state the reason:		
Person responsible for the preparation of the application: Dr. Shana Walsh		
Administrator responsible for approving the application: Dr. Tim Borchers, VPAA		

College: Wayne State College		Date: January 13, 2021
Notice of Intent	Application: X	Accept Award:
Name of Program: Nebraska Business Development Center		
Funding Source: U.S. Small Business Administration Also indicate if the source is federal, state or private: Federal		
Is this grant a <b>Sub-Award</b> ?		Yes: X    No:
If a sub-award, indicate the agency the sub-award is through: University of Nebraska at Omaha		
Amount Requested: \$73,000	Amount Awarded:	Funding Period: 01/01/21-12/31/21 Please indicate specific dates for the grant.
Closing Date for Application Submission:		
When reporting Grant Award-- Has Grant Application been approved/reviewed by the Board?		Date Approved/Reviewed:
Does this grant include <b>Indirect Cost Funds</b> for the College's use?		Yes:    No: X
If yes, indicate dollar amount and/or percentage rate allowed:		
Will this grant require <b>State Matching Funds</b> ?		Yes: X    No:
If yes, indicate dollar amount and specific uses of funds (i.e., salaries, honorariums, travel, office supplies, phone, postage, space rental, equipment, etc.): Matching funds of \$20,750 includes a portion of salary and benefits of the director as well as communications, supplies and travel expenses.		
Will this grant require <b>In-Kind Support</b> ?		Yes: X    No:
If yes, describe briefly (i.e., faculty release time, support personnel, use of office space, telephone, office supplies, etc.): In-Kind support includes the College's indirect cost rate with the U.S. Small Business Administration.		
Is <b>State Maintenance of Effort</b> or <b>Future Fiscal Responsibility</b> required?		Yes:    No: X
If yes, describe briefly		
Are there restrictions imposed by regulation on claiming indirect costs?		Yes:    No: X
How many FTE positions will the grant fund?		FTE: 0.91
How many of these are new positions?		New FTE: 0.00
Briefly describe the purpose(s) of this application/award: This proposed sub agreement with the University of Nebraska-Omaha would provide funding to continue the operation of a regional center of the Nebraska Business Development Center at Wayne State College. It would provide partial funding for salary and benefit costs of the director.		
Is this grant a continuation of a previous/existing grant?		Yes:    No: X
If a continuation grant, describe the previous grant in terms of amount, funding period, and any differences in program: While not technically a continuation, this subcontract would continue to fund the Nebraska Business Development Center at Wayne as it has for a number of years.		
Has this grant application been previously denied?		Yes:    No: X
If yes, please state the reason:		
Person responsible for the preparation of the application: Mr. Loren Kucera, Director of Nebraska Business Development Center		
Administrator responsible for approving the application: Ms. Angie Fredrickson, Vice President, Administration and Finance		

Attachment: WSC Grant Application - Nebraska Business Development Center (2847 : Grant Applications and Awards)

## CHANCELLOR INFORMATIONAL ITEMS

January 13, 2021

### *INFORMATION ONLY:*      **Contracts and Change Orders**

Pursuant to Board Policies 7015, 7016, and 8065, the following contracts and change orders are provided to the Board for information. General highlights of noteworthy contracts and change orders for each College include:

At Chadron State College, the main items of interest include the execution of the GMP for the Math Science Construction Manager at Risk contract at \$24.6 million, and two change orders for the Math Science asbestos abatement contract.

At Peru State College, the highlights include two change orders for the Campus ADA Walkways project funded primarily by the LB309 Task Force, and a change order to the roofing contract for roof repairs and replacements due to the 2019 hail storm.

At Wayne State College, items of interest include a 3-year HVAC controls service and maintenance contract, a consulting contract for evaluating Dormitory HVAC systems, an LB309 funded steam leak contract, three consultant contract change orders for additional services for the Benthack project, and two DEDUCT change orders amounting to over \$184,000 in savings to the Construction Manager at Risk contract GMP.

The System Office reports on four contracts. These include an economic impact study, PSC President search services, financial advisory services, and for promotional graphics for a State Capitol NSCS display.

Individual contracts and change orders for each of the three Colleges and the System Office are included in the attachments which include the following:

#### Chadron State Contracts

- Admissions (online orientation platform) -- \$88,625
- Academic Affairs (HLC consultant) -- \$7,500
- Housing & Residence Life (lodging) - \$55.00 per night, up to 20 rooms simultaneously
- Athletics (charter bus) -- \$100,000
- Math Science Addition & Renovation (guaranteed maximum price (GMP)) -- \$24,602,283

#### Chadron State Change Orders

- Math Science Renovation & Addition (#1-extension of time and increase of payment) - not to exceed \$95,000
- Math Science Renovation & Addition (#2-extension of time and removal of 35 sinks) -- \$5,250
- Football Stadium & Track (#9-return of contingency funds) - (\$19,889.60)
- Housing and Residence Life (#1-room availability notification) -- \$0.00

### Peru State Change Orders

- Delzell Hall/Campus Services (#1-construction of the cast-in-place concrete walls at ST-7 which were to have been included in the Base Bid but were omitted) -- \$16,000
- Delzell Hall/Campus Services (#2-rework existing storm line to connect to new line) - - \$15,785
- President's Residence (#1-furnish and install wood sheathing [hail repair]) -- \$10,795.15
- Jindra (#1-deduct 9,604 sq. ft. of PolyISO flatstock from the insulation system on Jindra flat roof, alter tapered insulation design to match existing insulation system [hail repair]) -- \$5,995

### Wayne State Contracts

- Campuswide (planned service program agreement for service and equipment for campus HVAC systems) -- \$161,756 (3 year contract)
- Memorial Stadium (install college-provided cove heaters in Stadium) -- \$2,190
- Tunnel #2 (steam piping repairs) -- \$34,500
- Admissions Office (junior and senior search program consulting) -- \$65,135
- Hahn Building Mailroom (IS-5000 DS Mailing System and Quadiant's Enhanced Mail Solutions USPS carrier) -- \$50,032.20 (\$833.87/month for 60 months lease agreement)
- Anderson Hall, Berry Hall, Morey Hall, Neihardt Hall and Terrace Hall (provide comprehensive evaluation of the existing infrastructure elements for the mechanical, electrical, and plumbing systems for these five dormitory buildings) -- \$34,950
- Peterson Fine Arts Building (provide architectural planning services for modifications and updates to the Program Statement for renovating the Peterson Fine Arts Building) -- \$1,200

### Wayne State Change Orders

- Benthack Hall (#3-amendment to add supplemental services: additional design services needed for rerouting of sanitary sewer) -- \$2,550
- Indoor Athletic Complex (#2-deduct for additional structural and architectural professional services due to construction damage during renovation, add for guardrail modifications, add for fire stopping and data cabling modifications, deduct for AC ducting, deduct for signage, add for reconnection of hose bib, add for patching/repairing/painting damaged glazed tile) -- \$4,588
- Parking Lot West of Peterson Fine Arts Building (#1-amendment to agreement for supplemental fee for additional material testing required during construction of parking lot) -- \$1,375
- Benthack Hall (#4-amendment to add supplemental services: infill door 111B2, architect to provide structural engineering services for supplemental steel reinforcement and masonry infill of existing Door 111B2) -- \$890
- Benthack Hall (#1-composite wall panels, door hardware, roller window shades, CMU infill, gas piping, condensate pump revisions, revisions to HVAC system, changes to structural openings, sanitary sewer changes, new valves for chilled water supply & return piping, replace damaged exterior concrete pavement at west

entrance, frame around existing west entrance column, water-jet existing sanitary lines, remove existing CMU walls and replace with new frame and drywall partitions, and reconciliation of bids to GMP) - (\$170,394)

- Benthack Hall (#5-amendment to add supplemental services: add electrical engineering services for power, lighting and data changes) -- \$1,400
- Benthack Hall (#2-P-trap primers deduct, door changes, duct cleaning deduct, secondary feeder modifications for UL rated assembly) (\$14,197)

#### NSCS Contracts

- NSCS (economic impact study) -- \$66,100
- NSCS (executive search services for PSC president) -- \$70,000
- NSCS (financial advisory services) -- \$50,000
- NSCS (creation of 8 graphics for display at Capitol) -- \$4,628

#### NSCS Change Order

- NSCS Office and Colleges (change dates for contract to create College episodes) -- \$0.00

#### **ATTACHMENTS:**

- CSC Contracts and Change Orders for Information (PDF)
- PSC Contracts and Change Orders for Information (PDF)
- WSC Contracts and Change Orders for Information (PDF)
- NSCS Contracts and Change Orders for Information (PDF)

## CONTRACTS AND CHANGE ORDERS FOR INFORMATION

**CONTRACTS** – a) construction contracts for less than \$100,000; b) architect/engineer fees of less than \$70,000; c) consultant contracts for less than \$70,000 (between \$35,000 and \$70,000 must have Chancellor’s approval); d) exempt contracts over \$50,000; e) legal counsel, auditor, lobbyist and search consultant contracts for durations greater than 5 days, requiring Chancellor’s approval; and f) contracts that the Board has authorized the Chancellor to approve.

<b>Chadron State College</b>	
Location on Campus: Contracted Work: Contract Amount: Fund Source: Contractor:	Admissions Online orientation platform \$88,625.00 Cash Advantage Design Group (ADG)
Location on Campus: Contracted Work: Contract Amount: Fund Source: Contractor:	Academic Affairs HLC consultant \$7,500.00 Cash Dr. Janet Smith
Location on Campus: Contracted Work: Contract Amount: Fund Source: Contractor:	Housing & Residence Life Lodging \$55.00 per night, up to 20 rooms simultaneously Cash, CARES Grant Super 8 Chadron
Location on Campus: Contracted Work: Contract Amount: Fund Source: Contractor:	Athletics Charter bus \$100,000. Cash Dakota Bus Service
Location on Campus: Contracted Work: Contract Amount: Fund Source: Contractor:	Math Science Addition & Renovation GMP \$24,602,283.00 Facility Corp Bond, Foundation, Cash Adolfson & Peterson Construction

**CHANGE ORDERS** – (including architect/engineer fees, construction contracts, equipment purchases and all other miscellaneous expenditures) which are less than \$50,000. If approval of change order is critical to project schedule, \$50,000 to \$100,000 range change orders may be approved by the Chancellor and reported at the next Board meeting.

<b>Chadron State College</b>	
Location on Campus: No. & Description: Change Order Amount: Fund Source: Contractor:	Math Science Renovation & Addition Addendum #1 Extension of time and increase of payment Not to exceed \$95,000. Facility Corp Bond Dakota Industrial Hygiene
Location on Campus: No. & Description: Change Order Amount: Fund Source: Contractor:	Math Science Renovation & Addition Addendum #2 Extension of time and removal of 35 sinks \$5,250.00 Facility Corp Bond Horsley Specialties
Location on Campus: No. & Description: Change Order Amount: Fund Source: Contractor:	Football Stadium & Track Project CO #9 Return of contingency funds (\$19,889.60) Cash Adolfson & Peterson
Location on Campus: No. & Description: Change Order Amount: Fund Source: Contractor:	Housing and Residence Life Addendum #1 Room availability notification \$0.00 Cash Super 8 Chadron

Attachment: CSC Contracts and Change Orders for Information (2848 : Contracts and Change Orders)

## CONTRACTS AND CHANGE ORDERS FOR INFORMATION

**CONTRACTS** – a) construction contracts for less than \$100,000; b) architect/engineer fees of less than \$70,000; c) consultant contracts for less than \$70,000 (between \$35,000 and \$70,000 must have Chancellor’s approval); d) exempt contracts over \$50,000; e) legal counsel, auditor, lobbyist and search consultant contracts for durations greater than 5 days, requiring Chancellor’s approval; and f) contracts that the Board has authorized the Chancellor to approve.

Peru State College	
Location on Campus: Contracted Work: Contract Amount: Fund Source: Contractor:	

**CHANGE ORDERS** – (including architect/engineer fees, construction contracts, equipment purchases and all other miscellaneous expenditures) which are less than \$50,000. If approval of change order is critical to project schedule, \$50,000 to \$100,000 range change orders may be approved by the Chancellor and reported at the next Board meeting.

Peru State College	
Location on Campus: No. & Description: Change Order Amount: Fund Source: Contractor:	Delzell Hall/Campus Services 1-Construction of the cast-in-place concrete walls at ST-7, which were to have been included in the Base Bid were omitted. 16,000.00 Cash Funds Genesis Contracting Group, LLC
Location on Campus: No. & Description: Change Order Amount: Fund Source: Contractor:	Delzell Hall/Campus Services 2-Rework existing storm line to connect to new line. 15,785.00 Cash Funds Genesis Contracting Group, LLC
Location on Campus: No. & Description: Change Order Amount: Fund Source: Contractor:	President’s Residence 1-Furnish and install wood sheathing (hail repair) 10,795.15 Cash Funds McKinnis Roofing and Sheet Metal, Inc.
Location on Campus: No. & Description: Change Order Amount: Fund Source: Contractor:	Jindra 1-deduct 9,604 sq. ft. of PolyISO flatstock from the insulation system on Jindra flat roof. Alter tapered insulation design to match existing insulation system (hail repair) 5,995.00 Cash Funds McKinnis Roofing and Sheet Metal, Inc.

## CONTRACTS AND CHANGE ORDERS FOR INFORMATION

**CONTRACTS** – a) construction contracts for less than \$100,000; b) architect/engineer fees of less than \$70,000; c) consultant contracts for less than \$70,000 (between \$35,000 and \$70,000 must have Chancellor’s approval); d) exempt contracts over \$50,000; e) legal counsel, auditor, lobbyist and search consultant contracts for durations greater than 5 days, requiring Chancellor’s approval; and f) contracts that the Board has authorized the Chancellor to approve.

<b>Wayne State College</b>	
Location on Campus: Contracted Work: Contract Amount: Fund Source: Contractor:	Campuswide Planned service program agreement for service and equipment for campus HVAC systems \$161,756.00 (3 year contract) Cash Johnson Controls, Sioux Falls, SD
Location on Campus: Contracted Work: Contract Amount: Fund Source: Contractor:	Memorial Stadium Install college-provided cove heaters in Memorial Stadium \$2,190.00 Cash: Press Box Model Electric, Inc., Norfolk, NE
Location on Campus: Contracted Work: Contract Amount: Fund Source: Contractor:	Tunnel #2 Steam Piping Repairs \$34,500.00 LB309 / Revenue Bond IES Commercial, Inc., dba Shanahan M&E, Lincoln, NE
Location on Campus: Contracted Work: Contract Amount: Fund Source: Contractor:	Admissions Office Junior & Senior Search Program Consulting \$65,135.00 Cash KelmscottEDU, Des Moines, IA
Location on Campus: Contracted Work: Contract Amount: Fund Source: Contractor:	Hahn Building Mailroom IS-5000 DS Mailing System & Quadiant’s Enhanced Mail Solutions USPS carrier \$50,032.20 (\$833.87/month for 60 months lease agreement) Cash Mail Finance, Inc., Milford, CT
Location on Campus: Contracted Work: Contract Amount: Fund Source: Contractor:	Anderson Hall, Berry Hall, Morey Hall, Neihardt Hall & Terrace Hall Provide comprehensive evaluation of the existing infrastructure elements for the mechanical, electrical, and plumbing systems for the five dormitory buildings listed above \$34,950.00 Revenue Bond Davis Design, Lincoln, NE
Location on Campus: Contracted Work: Contract Amount: Fund Source: Contractor:	Peterson Fine Arts Building Provide architectural planning services for modifications and updates to the Program Statement for renovating the Peterson Fine Arts Building \$1,200.00 Cash Jackson-Jackson & Associates, Inc. Omaha, NE

Attachment: WSC Contracts and Change Orders for Information (2848 : Contracts and Change Orders)

**CHANGE ORDERS** – (including architect/engineer fees, construction contracts, equipment purchases and all other miscellaneous expenditures) which are less than \$50,000. If approval of change order is critical to project schedule, \$50,000 to \$100,000 range change orders may be approved by the Chancellor and reported at the next Board meeting.

<b>Wayne State College</b>	
Location on Campus: No. & Description:  Change Order Amount: Fund Source: Contractor:	Benthack Hall #3 – Amendment to Add Supplemental Services: Additional design services needed for rerouting of sanitary sewer \$2,550.00 Cash / LB309 / Wayne State Foundation LEO A DALY, Omaha, NE
Location on Campus: No. & Description:  Change Order Amount:  Fund Source: Contractor:	Indoor Athletic Complex #2 – Deduct for additional structural and architectural professional services due to construction damage during renovation, add for guardrail modifications, add for fire stopping & data cabling modifications, deduct for AC ducting, deduct for signage, add for reconnection of hose bib, add for patching/repairing/painting damaged glazed tile \$4,588.00 Contingency Maintenance / Wayne State Foundation / Sports Facility Cash Fund OCC Builders, LLC, Wayne, NE
Location on Campus: No. & Description:  Change Order Amount: Fund Source: Contractor:	Parking Lot West of Peterson Fine Arts Building #1 – Amendment to agreement for supplemental fee for additional material testing required during construction of parking lot \$1,375.00 Cash JEO Consulting Group, Omaha, NE
Location on Campus: No. & Description:  Change Order Amount: Fund Source: Contractor:	Benthack Hall #4 – Amendment to Add Supplemental Services: Infill Door 111B2, Architect to provide structural engineering services for supplemental steel reinforcement and masonry infill of existing Door 111B2 \$890.00 Cash / LB309 / Wayne State Foundation LEO A DALY, Omaha, NE
Location on Campus: No. & Description:  Change Order Amount: Fund Source: Contractor:	Benthack Hall #1 - Composite wall panels, door hardware, roller window shades, CMU infill, gas piping, condensate pump revisions, revisions to HVAC system, changes to structural openings, sanitary sewer changes, new valves for chilled water supply & return piping, replace damaged exterior concrete pavement at west entrance, frame around existing west entrance column, water-jet existing sanitary lines, remove existing CMU walls and replace with new frame and drywall partitions, and reconciliation of bids to GMP. (\$170,394.00) Cash / LB309 / Wayne State Foundation Hausmann Construction, Lincoln, NE
Location on Campus: No. & Description:  Change Order Amount: Fund Source: Contractor:	Benthack Hall #5 - Amendment to Add Supplemental Services: Add electrical engineering services for power, lighting, and data changes \$1,400.00 Cash / LB309/ Wayne State Foundation LEO A DALY, Omaha, NE
Location on Campus: No. & Description:  Change Order Amount: Fund Source: Contractor:	Benthack Hall #2 - P-trap primers deduct, door changes, duct cleaning deduct, secondary feeder modifications for UL rated assembly (\$14,197.00) Cash / LB309 / Wayne State Foundation Hausmann Construction, Lincoln, NE

**CONTRACTS AND CHANGE ORDERS FOR INFORMATION**

**CONTRACTS** – a) construction contracts for less than \$100,000; b) architect/engineer fees of less than \$70,000; c) consultant contracts for less than \$70,000 (between \$35,000 and \$70,000 must have Chancellor’s approval); d) exempt contracts over \$50,000; e) legal counsel, auditor, lobbyist and search consultant contracts for durations greater than 5 days, requiring Chancellor’s approval; and f) contracts that the Board has authorized the Chancellor to approve.

<b>Nebraska State College System</b>	
Location on Campus: Contracted Work: Contract Amount: Fund Source: Contractor:	Nebraska State College System Economic impact study \$66,100 General Funds Economic Modeling, LLC
Location on Campus: Contracted Work: Contract Amount: Fund Source: Contractor:	Nebraska State College System Executive search services for PSC President \$70,000 Cash Academic Search, Inc.
Location on Campus: Contracted Work: Contract Amount: Fund Source: Contractor:	Nebraska State College System Financial advisory services \$50,000 Capital Improvement Fees and Revenue Bond Operations Janney Montgomery Scott LLC
Location on Campus: Contracted Work: Contract Amount: Fund Source: Contractor:	Nebraska State College System Creation of 8 graphics for display at Capitol \$4,628 Cash Vision Exhibits
Location on Campus: Contracted Work: Contract Amount: Fund Source: Contractor:	

**CHANGE ORDERS** – (including architect/engineer fees, construction contracts, equipment purchases and all other miscellaneous expenditures) which are less than \$50,000. If approval of change order is critical to project schedule, \$50,000 to \$100,000 range change orders may be approved by the Chancellor and reported at the next Board meeting.

<b>Nebraska State College System</b>	
Location on Campus: No. & Description: Change Order Amount: Fund Source: Contractor:	Nebraska State College System Office and Colleges Change dates for contract to create College episodes \$0.00 Cash OldGreenPlane, LLC
Location on Campus: No. & Description: Change Order Amount: Fund Source: Contractor:	

Attachment: NSCS Contracts and Change Orders for Information (2848 : Contracts and Change Orders)

**CHANCELLOR INFORMATIONAL ITEMS**

January 13, 2021

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*INFORMATION ONLY:*     **Chancellor's Travel Report**

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The Chancellor's Travel Report is provided to the Board for information.

**ATTACHMENTS:**

- Chancellors Travel Report (PDF)



## CHANCELLOR'S TRAVEL REPORT

In accordance with NSCS policy, the Chancellor traveled on:

Date	Total Days of Travel	Destination	Description	Expenses Reimbursed
11/07/2020	1	Kearney	Chadron Foundation Event	\$110.40
11/11-12/2020	2	Wayne	Board of Trustees Meeting	\$104.00
11/19/2020	1	Peru	Peru State Meetings	\$0.00
11/21/2020	1	Peru	Peru State Foundation Meeting	\$48.00

Anticipated future travel plans by the Chancellor:

The Chancellor has no travel planned at this time due to the COVID-19 pandemic.

Date	Total Days of Travel	Destination	Description

As of 12/18/2020

Prepared for the January, 2021 Board of Trustees Meeting