

Budget 101



Budget Overview

- Revenue
- Expenditures

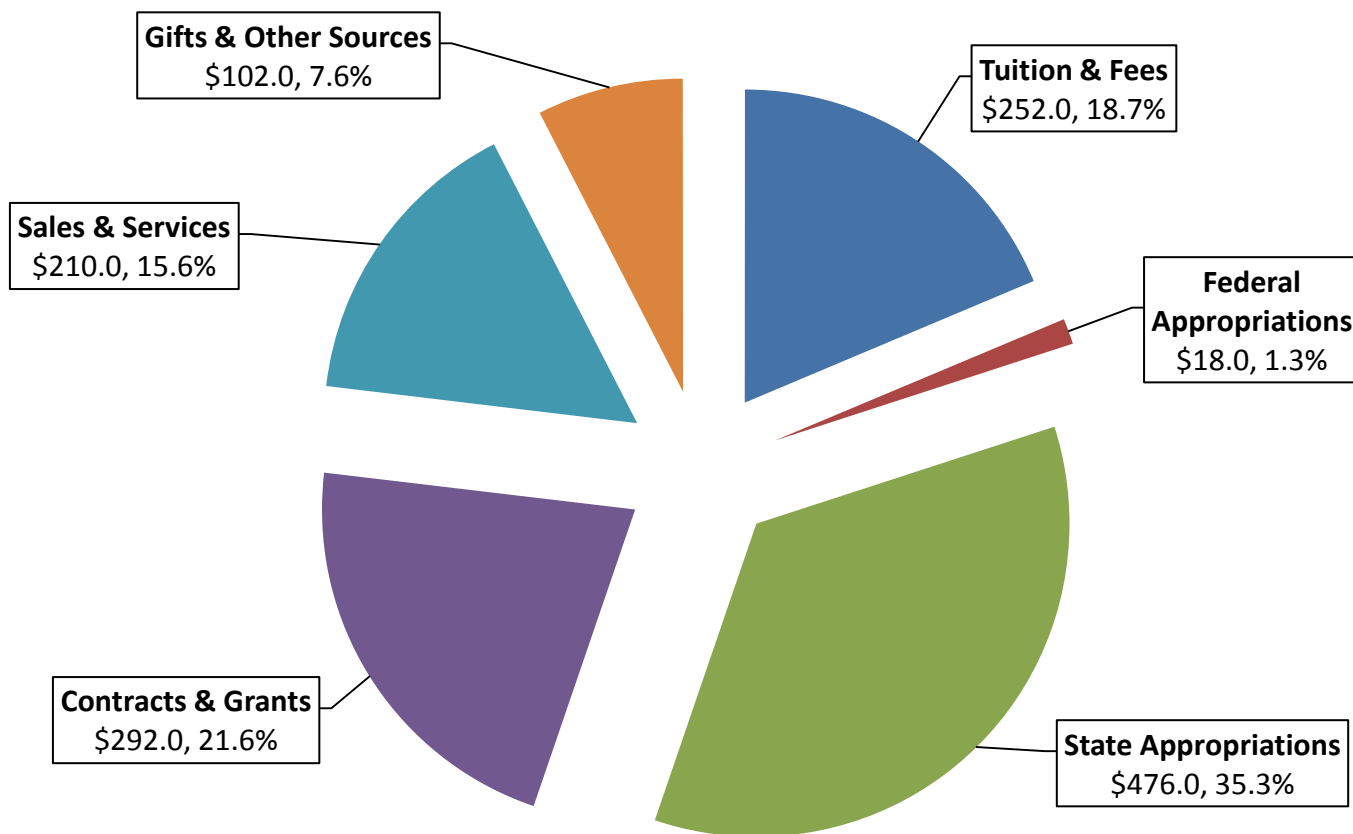
Budget Reductions

FAQs

FY 2013-14 Projected Budget:

By Revenue Source

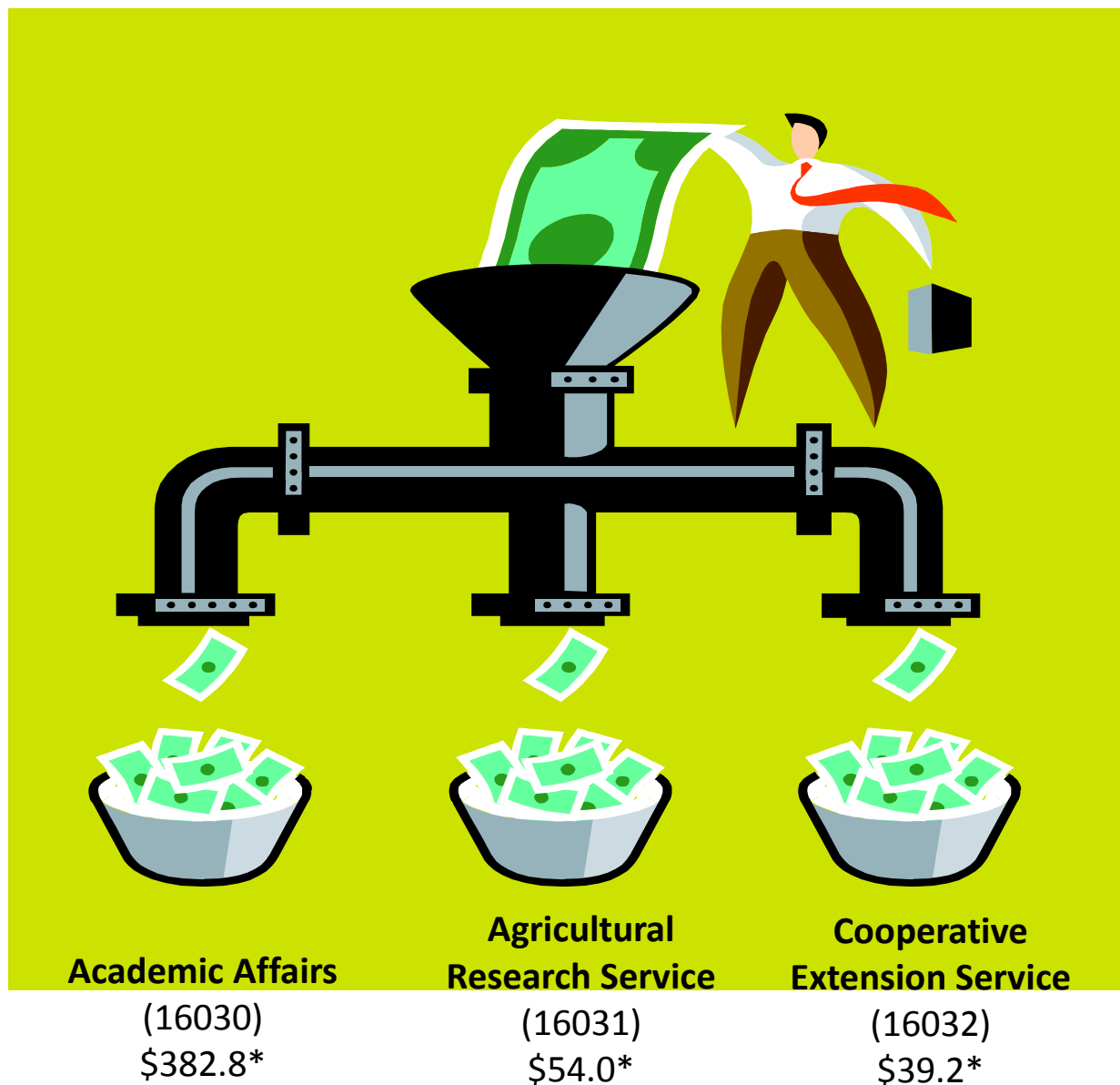
\$1.35 Billion



Note: In \$ Million.

Source: NC State Division of Finance and Resource Management

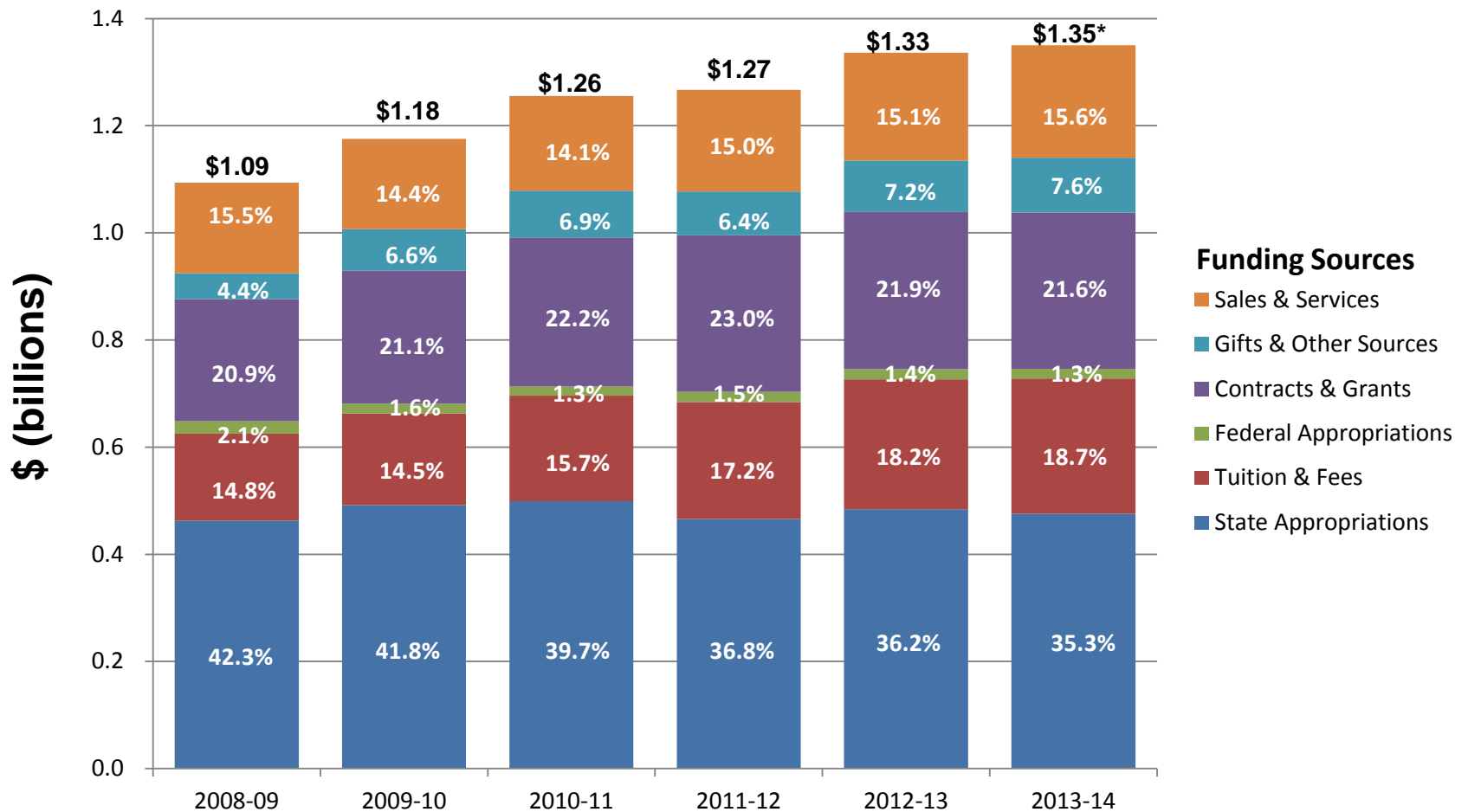
State Appropriations: 3 Buckets



* 2013-14 Projected, in \$ Million.

Source: NC State Division of Finance and Resource Management

Revenue Trends: FY 2008-14



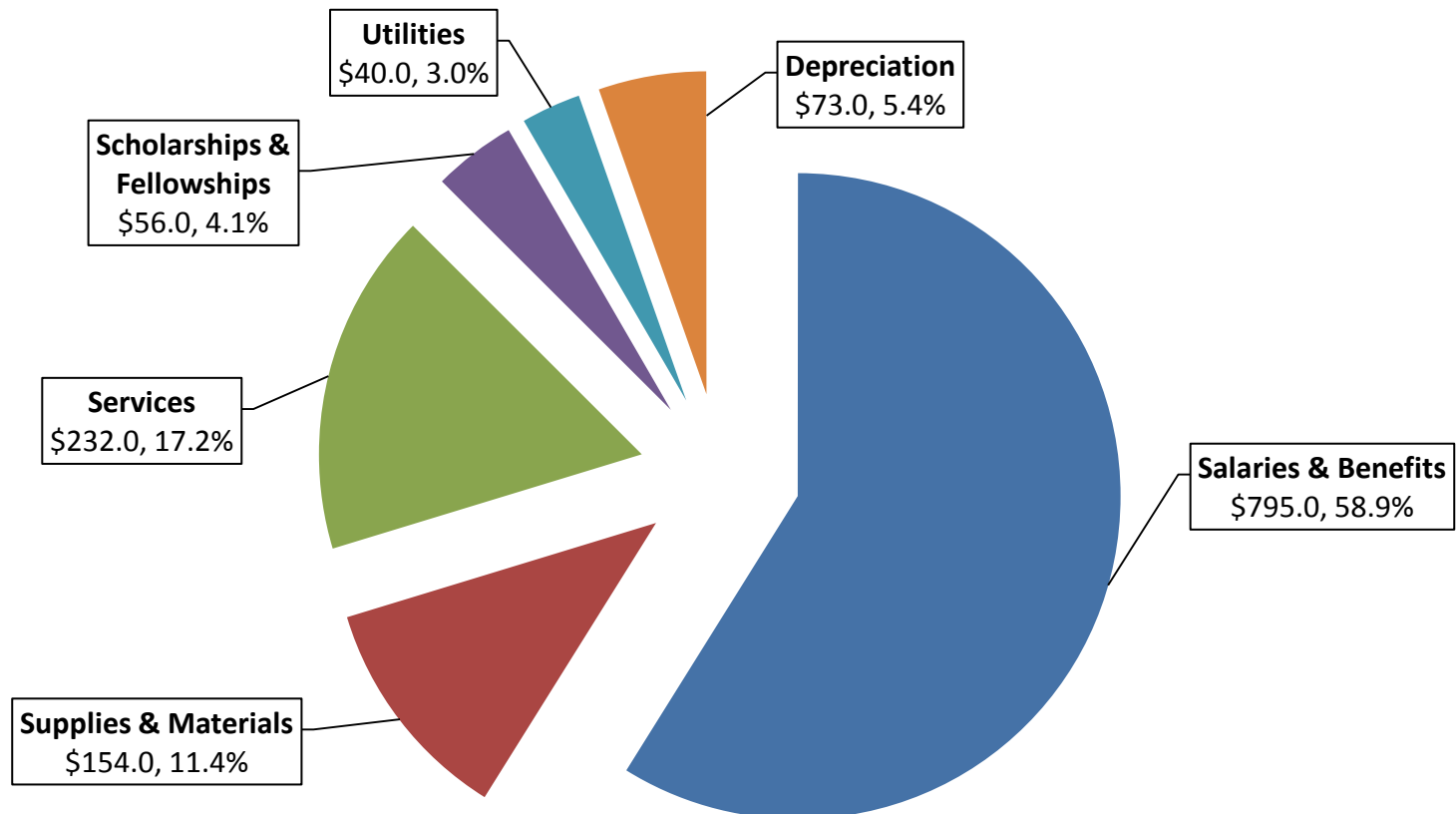
* 2013-14 Projected. All other years are Actual.

Source: NC State Division of Finance and Resource Management

FY 2013-14 Projected Budget:

By Expense Type

\$1.35 Billion



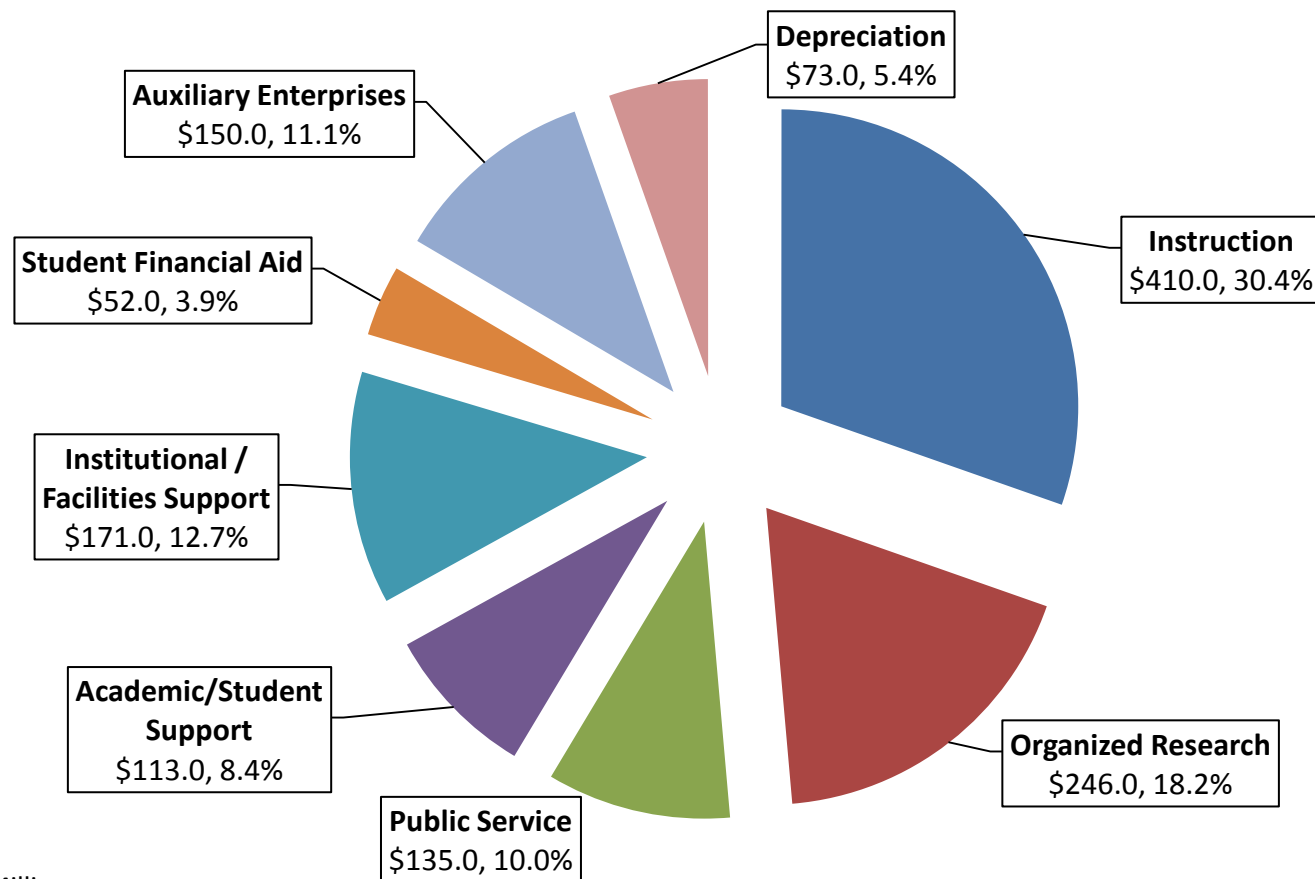
Note: In \$ Million.

Source: NC State Division of Finance and Resource Management

FY 2013-14 Projected Budget:

By Program

\$1.35 Billion



Note: In \$ Million.

Source: NC State Division of Finance and Resource Management

Appropriated Funding Methods

1. Enrollment Change
2. Tuition Increases : CITI & Legislative
3. Line Item Appropriations: Expansion & Continuation

Enrollment Change Funding Model

(12-cell matrix)

Campus:	NCSU
Status:	Final Requested

Program Category	Student Credit Hours			SCH Per Instructional Position			Instructional Positions Required		
	Undergraduate	Masters	Doctoral	Undergraduate	Masters	Doctoral	Undergraduate	Masters	Doctoral
Category 1	5,054	651	201	708.64	169.52	115.56	7.132	3.840	1.739
Category 2	3,443	1,198	179	535.74	303.93	110.16	6.427	3.942	1.625
Category 3	3,003	668	361	406.24	186.23	109.86	7.392	3.587	3.286
Category 4	1,605	320	308	232.25	90.17	80.91	6.911	3.549	3.807

13,105

2,837

1,049

27.862

14.918

53.236

Campus Ugr Cost Factor

5.0%

1.393

Total Positions Required

54,630

Calculation of Appropriation Request

Instructional Salary Rate of Campus

\$93,369

Requirements Generated by SCH Model

\$12,233,452

Instructional Salary Amount

\$5,100,748

Tuition Revenue:

Other Academic Costs

44.89%

\$2,289,726

In-State U/G FTEs

389

5,153

2,004,517

Out-of-State U/G FTEs

1

17,988

17,988

Res per GS116-143.6 U/G FTEs

29

5,153

149,437

In-State Grad FTEs

131

5,958

780,498

Out-of-State Grad FTEs

92

18,006

1,656,552

642

Library Rate

11.48%

Total Expected Revenue

4,608,992

Library Amount

\$848,425

State Appropriation Request Amount

\$7,624,460

Gen'l Instit. Support Rate

54.05%

Neg. Adjustment Factor:

50.00%

Gen'l Instit. Support Amount

\$3,994,551

Total Requirements at

NCSU

\$12,233,452

Appropriated Funding Methods

1. Enrollment Change

2. Tuition Increases

- Campus Initiated Tuition Increase
- Legislative

3. Line Item Appropriations: Expansion & Continuation

Appropriated Funding Methods

1. Enrollment Change
2. Tuition Increases: CITI & Legislative
3. Line Item Appropriations
 - Expansion
 - Continuation

Budget Overview

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Budget Reductions

FAQs

Budget Reductions (in \$ Million, not cumulative)

UNC System: 4.7% reduction	2013-14	2014-15
Management Flexibility Reduction	\$65.8	\$7.8
Operational Efficiency Reduction	\$10.0	\$5.0
Instructional Efficiency Reduction	\$15.8	\$5.3
Program Consolidation	---	\$1.9
UNC Strategic Plan Recommendations	\$3.0	TBD
Total (recurring)	\$94.6	\$20.0

NC State University: 4.4% reduction	2013-14	2014-15
Management Flexibility Reduction	\$15.8	\$1.9*
Operational Efficiency Reduction	\$2.0	\$1.2*
Instructional Efficiency Reduction	\$2.7	\$1.3*
Program Consolidation	---	\$0.5*
UNC Strategic Plan Recommendations	\$0.6	TBD
Total (recurring)	\$21.1	\$4.9

* Not yet allocated, based on FY13-14 allocation percentage.

Limited New Funds

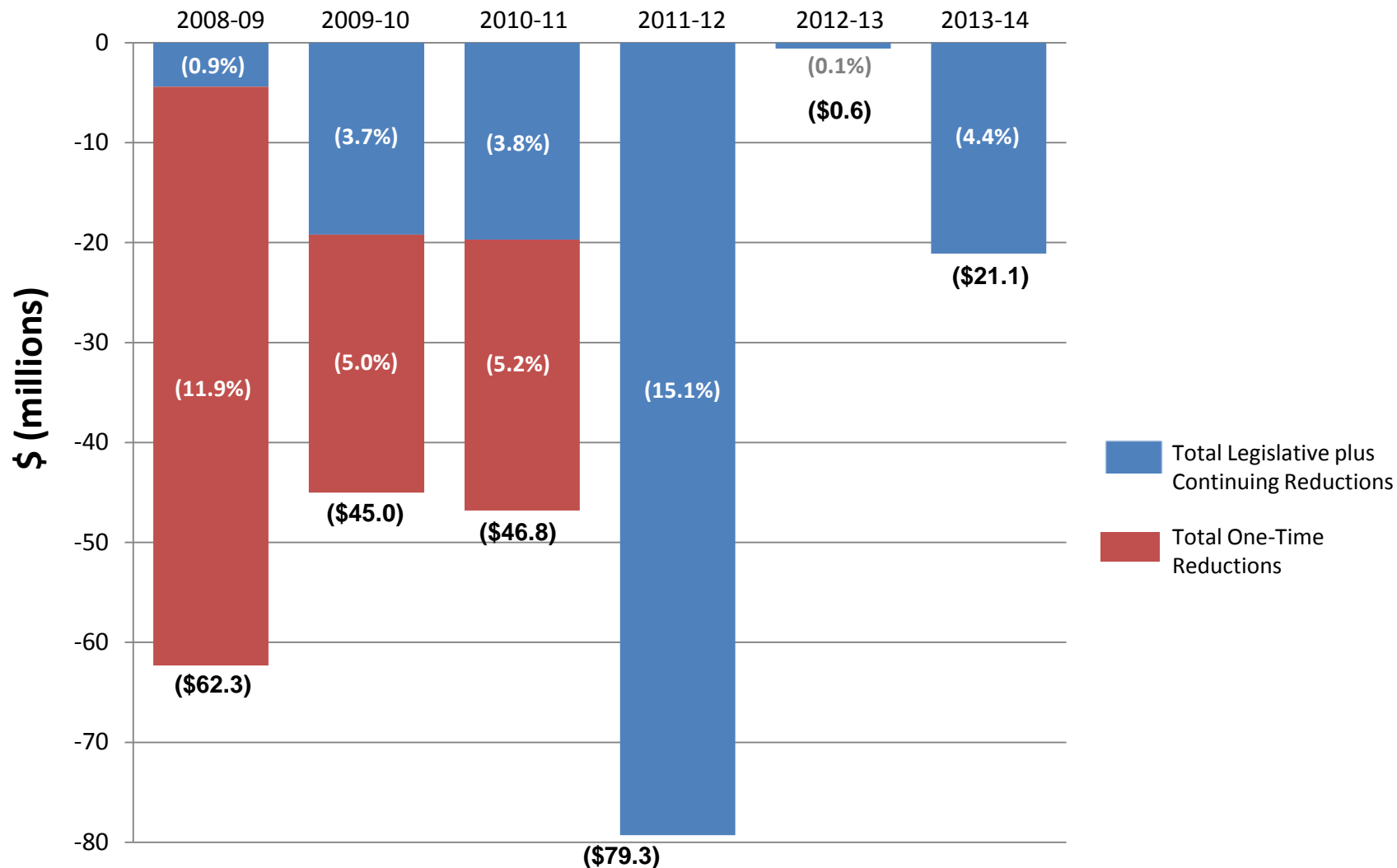
(in \$ Million, not cumulative)

UNC System	2013-14	2014-15
Enrollment (recurring)	\$29.1	\$26.7
Repair & Renovation (non-recurring)	\$60.0	--
Building Operations (recurring)	\$10.7	\$1.7

NC State University	2013-14	2014-15
Enrollment (recurring)	\$7.5	\$3.2
Repair & Renovation (non-recurring)	\$12.2	--
Building Operations (recurring)	\$1.4	\$0.1

Budget Reduction Trends:

FY 2008-14



Source: NC State Division of Finance and Resource Management

Decisions Moving Forward



- FY 13-14: Implement 5% continuing reduction for institution as planned

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Budget Reductions

FAQs

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What are Facilities & Administrative (F&A) costs and how are they used?



F&A Allocation

To view the F&A allocation flowchart created by the Budget Restructuring Task Force, please click here:

<http://budget.ncsu.edu/restructuring/documents/ExistingResourceAllocationProcesses08012013.pdf>

(Please note that a Unity ID login is required.)

More information on the Budget Restructuring Task Force may be found here: <http://budget.ncsu.edu/restructuring/>

FAQs

What is management flexibility?



FAQs

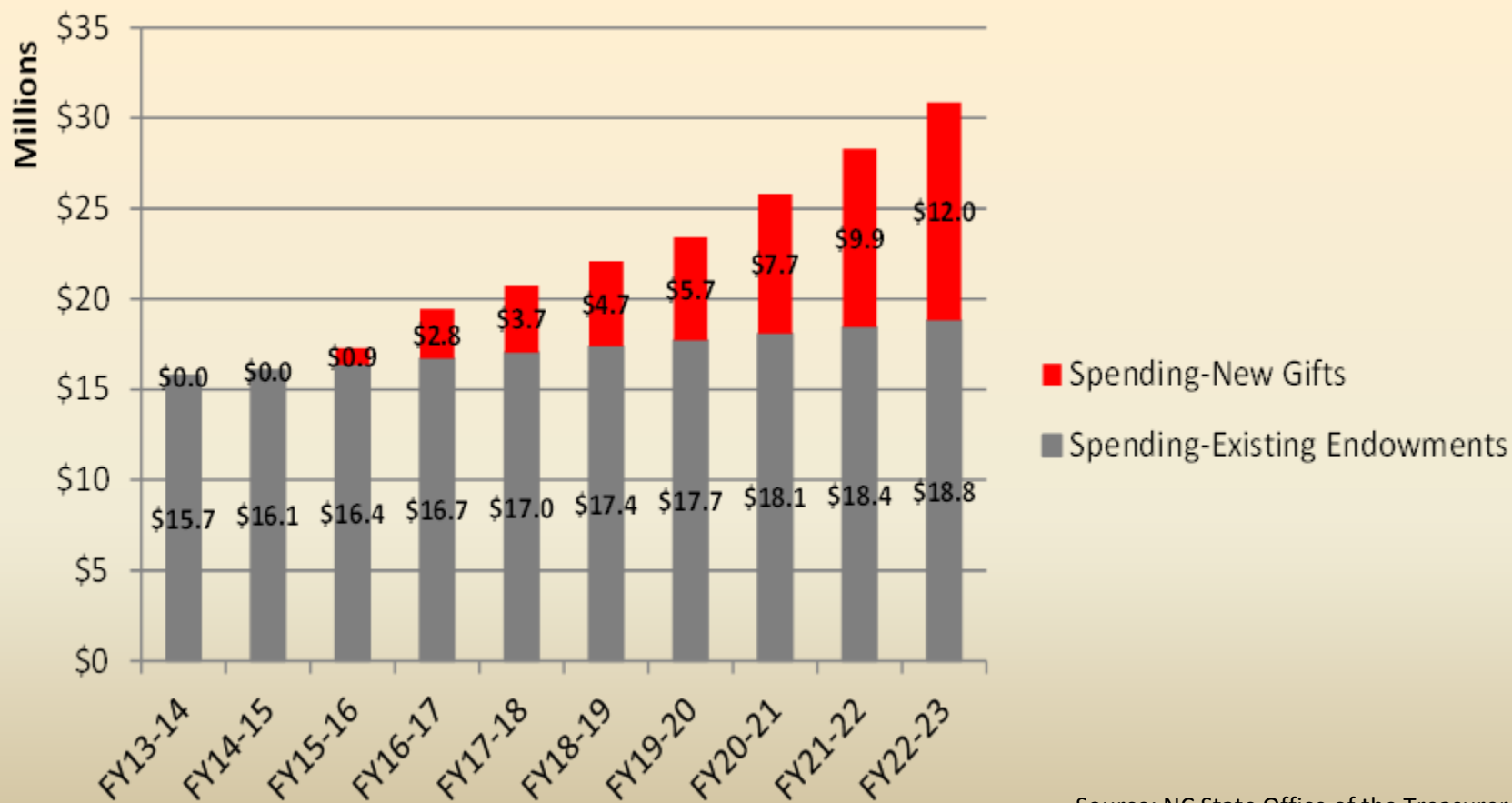
*How do endowments impact
the budget?*



Projected Endowment Spending - Conservative

ASSUMPTIONS:

- \$43.75 million in "cash" endowment gifts annually for total of \$300 million by June 30, 2023
- 7% average annual net investment return
- 4% programmatic spending rate and 1% assessment rate
- No underwater endowments
- **IGNORES:** 5-year period for paying pledged gifts and gifts received late in FY2013 that will count toward campaign goal



Helpful Links

Budget Central

<http://budget.ncsu.edu/>

Finance & Business Dashboard

<http://dashboard.ofb.ncsu.edu>

Budget Restructuring Task Force

<http://budget.ncsu.edu/restructuring/>



Strategic Resource Planning

Share Your Ideas

<http://go.ncsu.edu/ideas>

Which of the following does this idea involve? Please check all that apply. *

- ☐ Generation of new revenue
- ☐ Reallocation of resources
- ☐ Reorganization
- ☐ Academic program change
- ☐ Administrative program change
- ☐ Investment of new resources
- ☐ Process improvement
- ☐ Other:

Please describe the idea. *

How will this benefit NC State?