

Budget planner's merry-go-round: never-ending ride

By Deb Gray

It's a perennial merry-go-round, this business of pitting debits versus credits for Nebraska's largest employer.

It's a job that involves several weeks of 24-hour, seven-day-a-week hauls with computers and economy projections for company, according to Winn Sanderson, NU assistant vice-president for budget and planning.

Each year, fiscal planning begins July 15. That's the date departments from the NU campuses, working through their chancellor's office, begin figuring needs for the next year.

To prepare budgets, planners use guidelines drawn up by NU President D.B. Varner and passed by the NU Board of Regents July 1, Sanderson said. For the next month, UNL Chancellor James Zumberge meets with deans and departments heads to assess individual departments'

needs. The chancellor of each of NU's three campuses has final authority in approving or denying budget requests for his campus, Sanderson said.

3 factors considered

To figure a new budget, each department begins with the old one as a base. Three factors are considered when assessing next year's budget increases, Sanderson said.

First is the continuum budget—the money needed to maintain present programs, inflation considered.

Economists and staff personnel analyze and project inflation and cost of living increases for the upcoming year. Then they calculate the money needed to maintain status quo in programs and salaries, Sanderson said.

Second, there is the work load factor. Departments of increasing enrollment, journalism and business administration, for example, will receive additional money to hire faculty members.

The third area in determining increased budget requests, Sanderson said, is program improvement, better known as the Areas of Excellence. The departments involved in the program—"the wish list of the chancellor," Sanderson called it—have been designated by the chancellor and board of regents as areas of high potential, and possibly with money-fueled injections could become excellent.

These budget requests are figured on a priority basis, Sanderson said. This year NU requested \$2 million in program improvements, \$1 million of that for UNL.

But these three areas—continuum, work load and program improvement—are only one facet of the budget, Sanderson said. These exemplify the expenditure side. Since a university, like any entity spending money, has to balance its budget, incoming revenue is an equally important and complex consideration.

Revenue comes primarily from three sources, Sanderson said: state tax dollars, tuition fees and federal funds.

The changing character of the student population—"a difficult consumer because they often change their minds," Sanderson said—has created its share of fiscal headaches for budget planners.

It's not so much that enrollments are declining—they are, but not at the nosedive rate that it's sometimes played up to be—but students are taking fewer hours these days, Sanderson said. And each \$18-credit-hour less multiplied a thousandfold constitutes a major loss in revenue.

Sept. 15 deadline

"If we miss our projection for student enrollment by one per cent, then we're out \$300,000," Sanderson said.

But students at UNL are getting a break, he added. "We're one of the few states who haven't increased their tuition rates for three years. Historically, there has been an increase in tuition every other year."

After Zumberge draws up the UNL budget, he sends it to President Varner in August. The overall NU budget is approved Sept. 1 at the regents meeting.

Copies of the recommended budget are sent to two state offices by Sept. 15: One to the Department of Administrative Services (DAS) and the other to the Legislative Fiscal Office (LFO). The Sept. 15 date is set by law, Sanderson said.

These agencies review the budget until December. In January the two agencies make their separate recommendations to the Appropriations

Committee. DAS, which is Gov. J. J. Exon's budget arm, and the Legislative Fiscal Office get their recommendation to the committee 30 days after the session begins.

Bullet biters

The Appropriations Committee has three recommendations before them: NU's, which is asking for a 25 per cent increase in funding this year; the LFO's, recommending a 16 per cent increase; and Gov. Exon's, who has said he will settle for no more than a 11 per cent increase.

"When the committee draws up the final budget, they can take any mixture from three budgets, they have total discretion," Sanderson said.

In a 90-day session, such as this year's, the budget is approved in April and sent to the floor of the Legislature. The budget is usually passed within that week and sent to Gov. Exon who either signs or vetoes it.

Sanderson said his office is preparing for another year of bullet biting. Since their 25 per cent increase is highly unlikely, NU budget planners are drawing up options for faculty cutbacks and shaving operating costs.

On July 1, the 1975-76 budget goes into effect. And, 15 days later, the battle for the 1976-77 budget will begin.

Battle of the Budget, 1975

Varner: "The enactment of Exon's proposals would create serious problems for us"

Exon: "I don't believe university administrators have the proper compassion for the overall economic picture"

Marvel: Let the administrators divide NU's lump-sum appropriation among the three campuses

