

Professional Concerns Committee Agenda for March 01, 2018

SU 109
3:15 pm

1. Call to Order, Adoption of Agenda
2. Approval of Minutes from PCC Meeting of February 15, 2018
3. Chair's Report and Announcements
4. Old Business
 - Voting Item: Withdrawal of Application for Promotion During RPT Process (1 attachment)
 - Discussion Item: Budget Recommendations (7 attachments)
5. New Business
 - Discussion Item: Consensual Relations Policy (1 attachment)
6. Adjournment

Professional Concerns Committee
Minutes for March 1, 2018
SU 109, 3:15 pm

Members in Attendance: S. Alexander, D. Childs for P. Bills, T. Bonner, T. Bowers, I. Encarnacion, J. Farrar, S. Finke, K. Fuegen, N. Grant, J. Hammons, K. Katkin, A. Miller, S. Nordheim, T. Songer, M. Washington, K. Schwartz for M. Whitson, J. Wroughton.

Guests: Sue Ott Rowlands, Janel Bloch, Brian Hackett, Steve Crites, Ljubomir Nacev.

Members Not in Attendance: A. Al-Bahrani, K. Ankem, J. Clarkin, E. Fenton, B. Karrick, M. Kirk, B. Mittal, G. Newell, M. Torres, L. Wermeling, B. Zembrodt.

1. Call to Order, Adoption of Agenda
 - a. The Meeting was called to order, and the agenda was adopted unanimously.
2. Approval of Minutes from PCC Meeting of February 15, 2018.
3. Chair's Report and Announcements
 - a. From Faculty Senate:
 - i. All curricular changes were approved.
 - ii. Senate passed an emergency resolution expressing concern for DACA student issues.
 - iii. The presentation on sexual harassment and misconduct was rescheduled due to time.
 - iv. The Faculty Senate Executive Committee proposed changes the final exam schedule to address time conflicts. This will be a voting item at the next Senate meeting.
 1. There was some concern in PCC because faculty have already made arrangements for the current semester.
 - v. Discussion of the budget, but there is still no word from the Legislature.
 1. The Provost noted that Academic Affairs is planning for a \$9M to \$12M cut.
4. Old Business: Withdrawal of Application for Promotion
 - a. In its recommendation to Senate, PCC had recommended that faculty members should be allowed ten business days to withdraw an application for promotion or tenure after receiving a negative recommendation from a departmental RPT Committee. At Senate, concerns were expressed that some department Chairs might take action on an RPT Committee's recommendation before the ten-day window had elapsed.
 - b. Accordingly, Senate suggested a change to 3 business days and an added statement that the Chair can't act in that time frame. The PCC adopted this suggestion without dissent. The amended PCC recommendation will be returned to Senate for further action.
5. New Business: Discussion, Consensual Relations policy
 - a. There was significant concern about the black-white nature of the proposal. Anyone classified as an UG student would be prohibited from a relationship with anyone classified as an employee. Concern also was expressed that the proposed new policy would be in conflict with Section 16.9 of the NKU Faculty Handbook.
 - i. Should there be separate policies for faculty and for staff?
 - ii. Faculty policy should be more restrictive than a staff policy?
 - iii. There was discussion on both side of the argument.

- b. Justification perhaps from the BOR seeking clarification because the Faculty Handbook is not universal on campus.
6. Old Business: Discussion of budget reduction.
- a. There has been an increase of institution budget from \$175M in 2007 to \$225M in 2017. During the same time period, the enrollment has stayed steady around 14,800, and the instructional budget has also remained at \$66M.
 - i. What has led to the increase in budget with no increase in instruction?
 - ii. There appears to be a large increase in administrative bloat across campus, but NKU reporting makes it difficult to find the evidence to support this.
 - iii. Shift the burden to the administration to justify this spending increase?
 - iv. PCC members expressed that departmental instructional budgets have been dwindling, particularly operating funds.
 - v. The change to increased teaching by adjunct faculty seems to have been used to keep instructional spending low.
 - vi. What are the costs of the new Honors College?
 - b. Has there been increased evaluation of whether administrative efforts are successful?
 - i. What is the return on investment for these expenses?
 - c. K. Katkin suggested that certain administrative offices could be cut significantly or entirely, including VPGERO, the Registrar's office, the Office of Enrollment and Financial Assistance, and the Office of Undergraduate Academic Affairs.
 - i. Brian Hackett, Director of Public History, spoke angrily in support of the work of the VPGERO office saying they support recruitment and placement of students in the public history graduate program.
 - d. PCC agreed in principle to pushing the administration to make cuts while protecting instructional budgets.
 - e. There was concern about the need for a campus police department.
 - f. There was continued discussion about the athletics budgets.
 - i. The switch to Division I was costly, increasing the Institutional support from \$5M per year to \$9M per year. This doesn't include certain costs tabulated by USA Today, which estimates that the full cost to the institution is around \$11M per year.
 - ii. There was concern over the perception that would be raised if we switch from Division I.
 - 1. Could costs be curtailed and NKU remain D-I?
 - g. A suggestion was made that we should prioritize and focus on undergraduate teaching.
 - h. With the recent news about the Dean of the Law School, there is concern about administrators returning to faculty with 85% of their administrative salary. This has been used as a recruiting tool for administrators.
7. The meeting was adjourned by K. Katkin.

Submitted,
John Farrar

MEMORANDUM

To: PCC
From: K. Katkin, Chair
Re: Withdrawal of Application for Promotion During RPT Process
Date: March 1, 2018

At our meeting of February 15, 2018, PCC voted to recommend to Faculty Senate that the Faculty Handbook be amended to allow a faculty member to withdraw the application for promotion and/or tenure after receiving a negative recommendation from the departmental review committee. On February 26, 2018 Faculty Senate discussed this recommendation. During this discussion, several Senators raised practical concerns about whether the ten-day window for withdrawal recommended by PCC was too long. In particular, Senators were concerned that in the ordinary course, department chairs often take action on an RPT Committee's recommendation sooner than ten days after receiving such a recommendation.

Because the intent of PCC was to recommend that a faculty member should be allowed to withdraw an application before the department chair takes action, the Senate moved to remand the item back to PCC for clarification. Specifically, the Senate expressed a sense that the applicant should have only three business days to withdraw the application after receiving a negative recommendation from the RPT Committee, and that the Handbook should also specify that the department chair should not make any recommendation until those three business days have passed.

Accordingly, to implement Senate's directive, PCC should consider rescinding its earlier recommendation, and replacing it with the following:

Proposed Amendment to Faculty Handbook Section 3.2.6:

To enable a faculty member to withdraw the application and materials after receiving a negative recommendation from the departmental review committee, a sentence should be added to the end of current Faculty Handbook Section 3.2.6 that would read:

After receiving a negative recommendation from the committee, the applicant may elect within three business days to withdraw the application and terminate the RPT process.

As amended, Section 3.2.6 would thus read:

3.2.6. DEPARTMENT/SCHOOL COMMITTEE: VOTING AND REPORTING

Each member of the committee shall have one vote. Each member is required to vote on each matter before the committee. A member who has not reviewed materials submitted by the applicant or fully participated in the committee discussion of the applicant cannot vote on that applicant. The recommendation

of the committee shall be reported in writing to the department chair or school director and must be characterized as either unanimous or non-unanimous. The recommendation of the committee will reflect the committee's deliberations and must be signed by all committee members. In cases where the committee vote is not unanimous, support for both positive and negative votes must be included in the recommendation. In the case of a tie vote, the committee's recommendation will be deemed a positive recommendation. A copy of the recommendation will be given to the applicant. **After receiving a negative recommendation from the committee, the applicant may elect within three business days to withdraw the application and terminate the RPT process.**

Proposed Amendment to Faculty Handbook Section 3.2.7:

To ensure that the department chair does not take action on a recommendation from an RPT Committee before the applicant has time to withdraw the application and materials after receiving a negative recommendation from the departmental review committee, the words “**No sooner than three business days. . .**” should be inserted at the beginning of current Faculty Handbook Section 3.2.7. As amended, Section 3.2.7 would then read as follows:

3.2.7. CHAIR/DIRECTOR

No sooner than three business days after receipt of the committee recommendation, the department chair or school director shall make a recommendation to the dean in writing. The chair or director may consult with the department or school committee prior to making a recommendation, but not with committee members individually. As part of his or her deliberations, the department chair or school director may meet with the applicant to aid in his or her decision. The reasons for the department chair's or school director's recommendation, whether positive or negative, shall be included in the recommendation. The department chair or school director shall forward his or her recommendation, the department or school committee's recommendation, and the applicant's file to the appropriate dean. A copy of the department chair's or school director's recommendation shall be given to the applicant and all members of the department or school committee.

CONCLUSION

The PCC recommends that Faculty Senate should approve the preceding amendment to Sections 3.2.6 and 3.2.7 of the NKU Faculty Handbook.

NKU Faculty Handbook Sections 16.9-16.10.

16.9. STATEMENT ON CONSENSUAL RELATIONSHIPS

16.9.1. GENERAL

Consensual relationships are relationships in which both parties appear to have agreed to the partnership. The consensual relationships that are of concern to Northern Kentucky University are the amorous, romantic, or sexual relationships between faculty and students and between supervisors and employees. Although consensual relationships, by definition, are desired by both parties, they can nevertheless have consequences that are decidedly undesirable, both to the parties involved and to the University as a whole. The following statement is offered for the protection of members of the University community and for the health and productivity of the University in general.

16.9.2. POTENTIAL HARMS FROM CONSENSUAL RELATIONSHIPS

It is a generally accepted ethical principle in our society that one avoids situations in which one makes official evaluations of relatives, family members, spouses, or other persons with whom one has an intimate relationship. Such a relationship, combined with a responsibility for evaluation is considered a "conflict of interest." In this sense, the objectivity of a faculty member evaluating a student with whom he/she is involved would be considered suspect. Likewise, the fairness of a supervisor evaluating an employee with whom he/she is involved would be considered questionable. Evaluations made under such circumstances may threaten the credibility of a university's educational mission as well as the reputation of its working environment.

Because of the inherent power differential between faculty/staff and students, and supervisors and employees, there is also a danger that consensual relationships may evolve into coercive ones. The line between consent and harassment is a fine one, and perceptions of this boundary may not necessarily be shared. Thus it is possible that a party involved in what was believed to be a consensual relationship may become involved in what turns out to be a case of sexual harassment. There have also been cases in which parties involved in consensual relationships have been charged with sex discrimination.

16.9.3. CONSENSUAL RELATIONSHIPS IN SITUATIONS INVOLVING DIRECT SUPERVISION.

Consensual relationships in situations involving direct supervision (e.g., between a faculty member and student in his/her class, or between a faculty member and student he/she is supervising in independent laboratory research, or between a supervisor who has the power to evaluate, promote, or grant raises and his/her employee) should be avoided. If such relationships arise, arrangement should be made to remove one of the parties from the supervisory situation or to have evaluations of the supervised party made in another way. For example, in the case of faculty and student, the student should be placed in another course or be paired with another thesis or laboratory instructor. In cases where this is not possible, the department chair or the dean of the college should determine the best means for impartial evaluation of the student's work after consulting with the parties involved. Consideration should be given to having another faculty member evaluate the student's work. Faculty members should also remove themselves from other situations (awards committees, etc.) in which their decisions may reward or punish students with whom they are currently (or with whom they have been previously) involved. Likewise, in the case of a consensual relationship between a supervisor and an employee, the employee should be transferred to another work unit or, if that is

not possible, the supervisor of both parties should determine the best means for impartial evaluation of the employee after consulting with the parties involved. Consideration should be given to having an outside evaluation of the employee's work. In all situations of direct supervision, a consensual relationship should be reported to the faculty member's or supervisor's executive officer (e.g., department chair, unit director). Such notification may help insure that arrangements for unbiased evaluations are made and may help prevent later misunderstandings about the nature of the situation. Notification and any subsequent action taken should remain confidential insofar as the confidentiality is consistent with state and federal law.

16.9.4. CONSENSUAL RELATIONSHIPS NOT INVOLVING DIRECT SUPERVISION

Although less problematic, consensual relationships in situations not involving direct supervision (e.g., between faculty and students in separate academic units or supervisors and employees in separate work units), can have negative consequences. For instance, the campus reputation of both parties may be affected by the knowledge of the relationship or by speculation about it. Also, there is the possibility that one may suddenly be placed in a position of responsibility for or called upon to evaluate another. For instance, a student may change majors and join the faculty member's department or a faculty member or supervisor may be asked to serve on a campus-wide admission, awards, or grievance committee. Members of the University community should be aware of such potential problems and should enter relationships with caution.

16.10. NEPOTISM

Northern Kentucky University seeks to employ or promote the best-qualified person for a position. Therefore, decisions on selection, salary, promotion, and all matters pertaining to faculty employment will be made without regard to the relationship of an applicant or one employee of the University to another or the relationship of an applicant or employee to a member of the Board of Regents. No person shall be employed or promoted to a faculty position if the result would be that a head of an administrative unit and a member of his/her immediate family by blood or marriage would be members of the same administrative unit; in the University's best interest, however, exceptions may be made to this policy upon the recommendation of a majority of the members of the administrative unit, subject to approval by the provost and the consent of the president. Relatives by blood or marriage include parents and children, husbands and wives, brothers and sisters, brothers- and sisters in-law, mothers- and fathers-in-law, sons- and daughters-in-law, uncles, aunts, nieces and nephews, and step relatives in the same relationships (see 16.9, Statement on Consensual Relationships).

QUALITY-MADE.
COMMUNITY-DRIVEN.

NKU



NKU
NORTHERN
KENTUCKY
UNIVERSITY

ANNUAL BUDGET
2017—2018

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Budget Highlights and Analysis

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Sue Ott Rowlands, Provost and Executive Vice President for Academic Affairs

Kim Scranage, Vice President for Enrollment and Degree Management

Lori Southwood, Senior Director of Human Resources

Budget Highlights and Analysis

PRESIDENTIAL RECOMMENDATION:

That the Board of Regents approve the following resolution establishing and approving the Fiscal Year 2017-18 Annual Unrestricted Operating Budget for Northern Kentucky University.

Recommendation relating to Fiscal Year 2017-18 Budget, Northern Kentucky University, Board of Regents, April 26, 2017:

Be it resolved that, upon due consideration of the recommendation of the President, the Annual Unrestricted Operating Budget for Northern Kentucky University is hereby established and approved in an amount totaling \$226,400,000 for the fiscal year beginning July 1, 2017, and ending June 30, 2018.

The President is authorized to approve adjustments between the budget authorizations when such action appears, in his judgment, to represent the best interests of the University. However, any adjustment that alters the Annual Unrestricted Operating Budget authorization of \$226,400,000 shall be submitted to this Board for approval at its next regular meeting.

In the event that unrestricted sources of funds are not sufficient to equal projected unrestricted expenditures, the President shall take appropriate measures to reduce budgeted expenditure authorizations by amounts sufficient to insure that unrestricted expenditures do not exceed authorized unrestricted sources of funds.

In the incurrence of financial obligations and the expenditure and disbursement of University funds available under this authorization, all University units and University personnel or agents shall adhere to and observe applicable laws, regulations, and policies of both the Commonwealth of Kentucky and the University, which govern and control the expenditure of funds. Administrators of the various units shall not authorize nor incur any financial obligation in excess of the budget authorizations.

Budget Highlights and Analysis

SUMMARY OF FY 2017-18 UNRESTRICTED REVENUES AND EXPENDITURES

Sources of Funds	Annual Budget	Percent of Total	Percent of Revenues
Educational & General			
Governmental Appropriation - Regular	\$ 51,621,100	24.98%	22.80%
Tuition	138,067,200	66.82%	60.80%
Campus Recreation Mandatory Fee	4,397,600	2.13%	1.94%
Other Fees	991,400	0.48%	0.44%
Sale and Services of Educational Activities	4,644,600	2.25%	2.05%
Other Sources	6,899,100	3.34%	3.05%
Total Educational & General	206,621,000	100.0%	91.08%
Sale and Services of Auxiliary Enterprises			
Housing	10,529,100	62.75%	4.65%
Food Services	2,363,900	14.09%	1.04%
Bookstore	452,000	2.69%	0.20%
Vending Operations	340,000	2.03%	0.15%
Parking Services	3,094,000	18.44%	1.37%
Total Auxiliary Enterprises	16,779,000	100.0%	7.41%
Total Revenues	\$ 223,400,000		
Plus: Nonrecurring sources (net assets)	\$ 3,000,000	1.33%	
Total Sources of Funds	\$ 226,400,000	100.0%	

Expenditures by Major Object	Annual Budget	One-Time Special Allocation	Total Annual Budget	Percent of Total
Personnel Services	\$ 96,783,900	824,800	97,608,700	43.11%
Benefits	44,470,900	204,300	44,675,200	19.73%
Contract Services	3,245,000	3,000	3,248,000	1.43%
Operating	26,128,700	1,953,700	28,082,400	12.40%
Utilities	5,958,300	14,200	5,972,500	2.64%
Capital	3,443,000	0	3,443,000	1.52%
Student Financial Aid	27,016,800	0	27,016,800	11.93%
Transfers (Debt Service)	13,996,800	0	13,996,800	6.18%
Reserves (E&G)	2,356,600	0	2,356,600	1.04%
Total Expenditures	\$ 223,400,000	3,000,000	226,400,000	100.0%

Budget Highlights and Analysis

Expenditures by Major Function	Annual Budget	One-Time Special Allocation	Total Annual Budget	Percent of Total
Education and General				
Instruction	\$ 66,745,600	695,400	67,441,000	29.79%
Research	185,700	0	185,700	0.08%
Public Service	7,025,900	407,200	7,443,100	3.28%
Libraries	6,076,100	0	6,076,100	2.68%
Academic Support	20,709,700	0	20,709,700	9.15%
Student Services	21,654,900	0	21,654,900	9.56%
Institutional Support	27,811,800	586,000	28,397,800	12.54%
Operations and Maintenance of Plant	19,485,900	1,311,400	20,797,300	9.19%
Student Financial Aid	26,574,100	0	26,574,100	11.74%
Mandatory Transfers	6,113,500	0	6,113,500	2.70%
Non-Mandatory Transfers	1,881,200	0	1,881,200	0.83%
Reserves (E&G)	2,356,600	0	2,356,600	1.04%
Total Education and General	\$ 206,621,000	3,000,000	209,621,000	92.58%
Auxiliary Enterprises				
Student Services	\$ \$10,386,600	0	\$10,386,600	4.59%
Student Financial Aid	423,100	0	423,100	0.19%
Transfers	\$5,969,300	0	\$5,969,300	2.64%
Total Auxiliary Enterprises	\$ \$16,779,000	\$0	\$16,779,000	7.42%
Total Expenditures	\$ \$223,400,000	\$3,000,000	\$226,400,000	100.0%

Budget Highlights and Analysis

BUDGET CONTEXT

The FY 2017-18 Annual Budget is the outcome of a collaborative process guided by the university's 2013-18 Strategic Agenda, "Fuel the Flame: The 2013-18 Strategic Plan for Northern Kentucky University" (<http://fueltheflame.nku.edu/goals.html>). The university's strategic priorities for 2013-18 are grouped within five goal areas:

- 1) Student Success
- 2) Talent Development
- 3) Academic Innovation
- 4) Community Engagement
- 5) Institutional Excellence

In developing the university's strategic plan, financial parameters were developed to guide the strategic planning process. These financial parameters include:

- Constraints on state resources for postsecondary education will continue to be a challenge.
- Maintaining and growing our state appropriation will depend heavily on our performance on accountability metrics established by the state.
- Opportunities may exist for increasing tuition revenue from enrollment growth and non-resident and graduate tuition rate increases; however, innovation, transformation, and a strong competitive position will be necessary to take advantage of these opportunities due to market pressures and our traditional cost structure.
- New sources of non-traditional revenues and enhancement of existing sources of non-traditional revenues will be necessary to fund investments in the strategic plan.
- Increases in fixed costs, externally imposed costs from unfunded mandates, our deferred maintenance backlog, and growing demands for information technology continue to consume a significant portion of new revenues and reallocated funds.
- All available sources of funds will need to be considered when making resource allocation decisions and the need to prioritize will be critical.
- Opportunities for new investments will come primarily from reallocations through either improved efficiency or by eliminating or reducing activities that are not effective, not essential, not strategic, or not a priority relative to other opportunities/needs.

The university anticipates receiving limited additional state resources in the foreseeable future. Among these will be the lack of an appropriation to bring the Health Innovations Center online and more internal reallocations may need to occur.

Budget Highlights and Analysis

Enrollment

An improving economy combined with a smaller number of high school graduates has led to a decline in college enrollments across the US. Since 2010, NKU, too, has experienced a decline in undergraduate, graduate, and law headcount. The graph on the following page displays our last five year enrollment trend by level.

	2011	2012	2013	2014	2015	2016
Undergraduate	13,322	13,344	13,116	13,110	12,806	12,643
Graduate	1,841	1,768	1,661	1,554	1,478	1,504
Law	575	548	506	450	436	419
Total	15,748	15,660	15,283	15,114	14,720	14,566

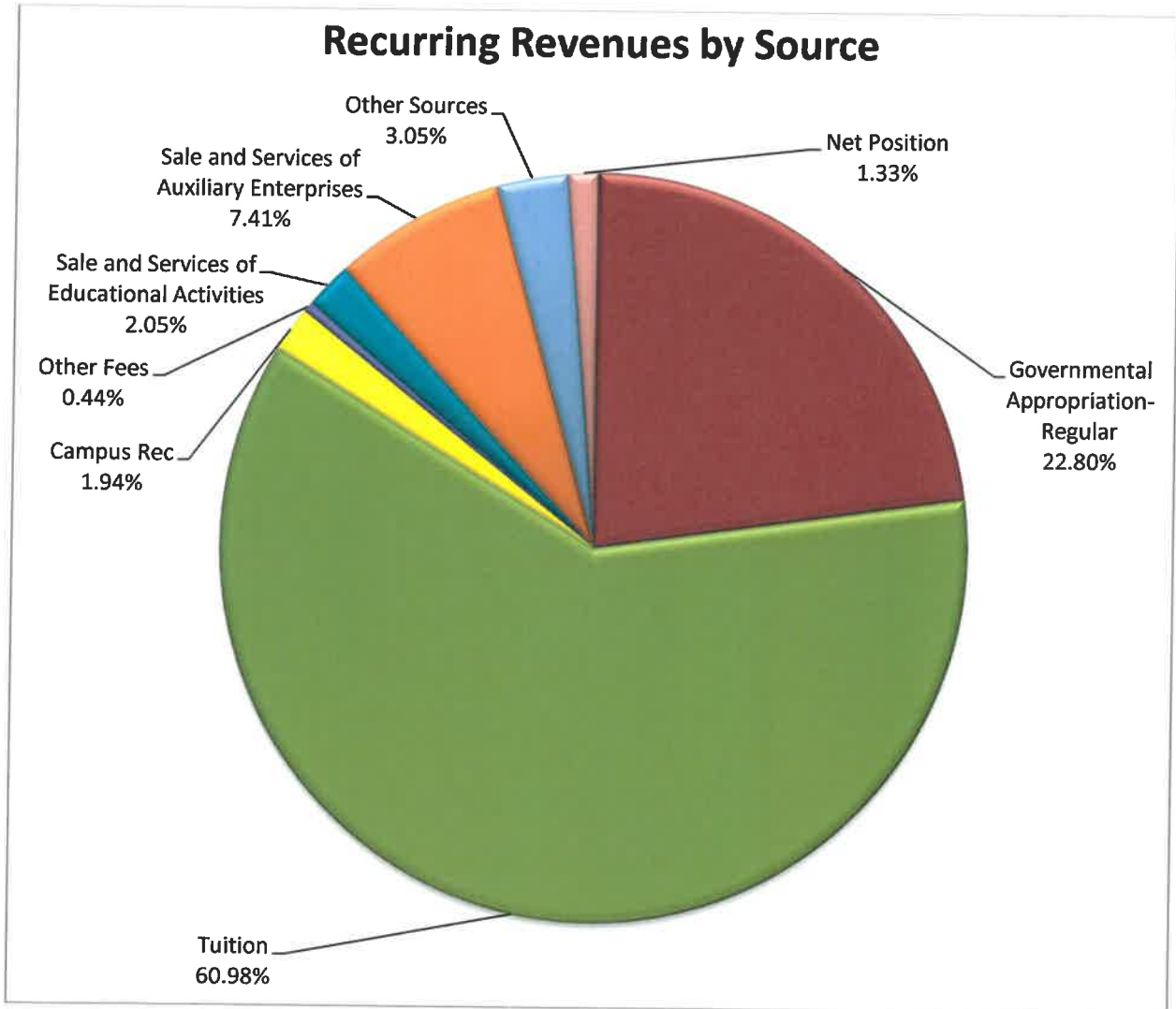
SOURCES OF FUNDS

The university's annual budget contains projected revenues and planned expenditures for all university funding sources with the exception of state-funded capital projects, the NKU Research Foundation (affiliated corporation), and the NKU Foundation (unaffiliated corporation). From a central budgeting perspective, expenditures from each of these sources of revenue are budgeted through a separate process. However, the university takes an all-funds approach to expenditure budgets at the unit level. Each vice president allocates funds amongst units in their area considering all sources of revenue available to a unit. This approach continues at each level of the organization, e.g. a dean will allocate expenditure budgets to each academic department considering all sources of funds available to each academic department.

TOTAL PUBLIC FUNDS (TUITION AND FEES PLUS STATE APPROPRIATION – REGULAR)

Tuition continues to remain the university's primary revenue source. The university has become significantly less reliant on state funds to operate the institution over the past ten years. In FY 2002-03, regular state appropriation comprised 42% of our total public funds. For the FY 2017-18 budget, regular state appropriations will account for just 27.2% of our total funding

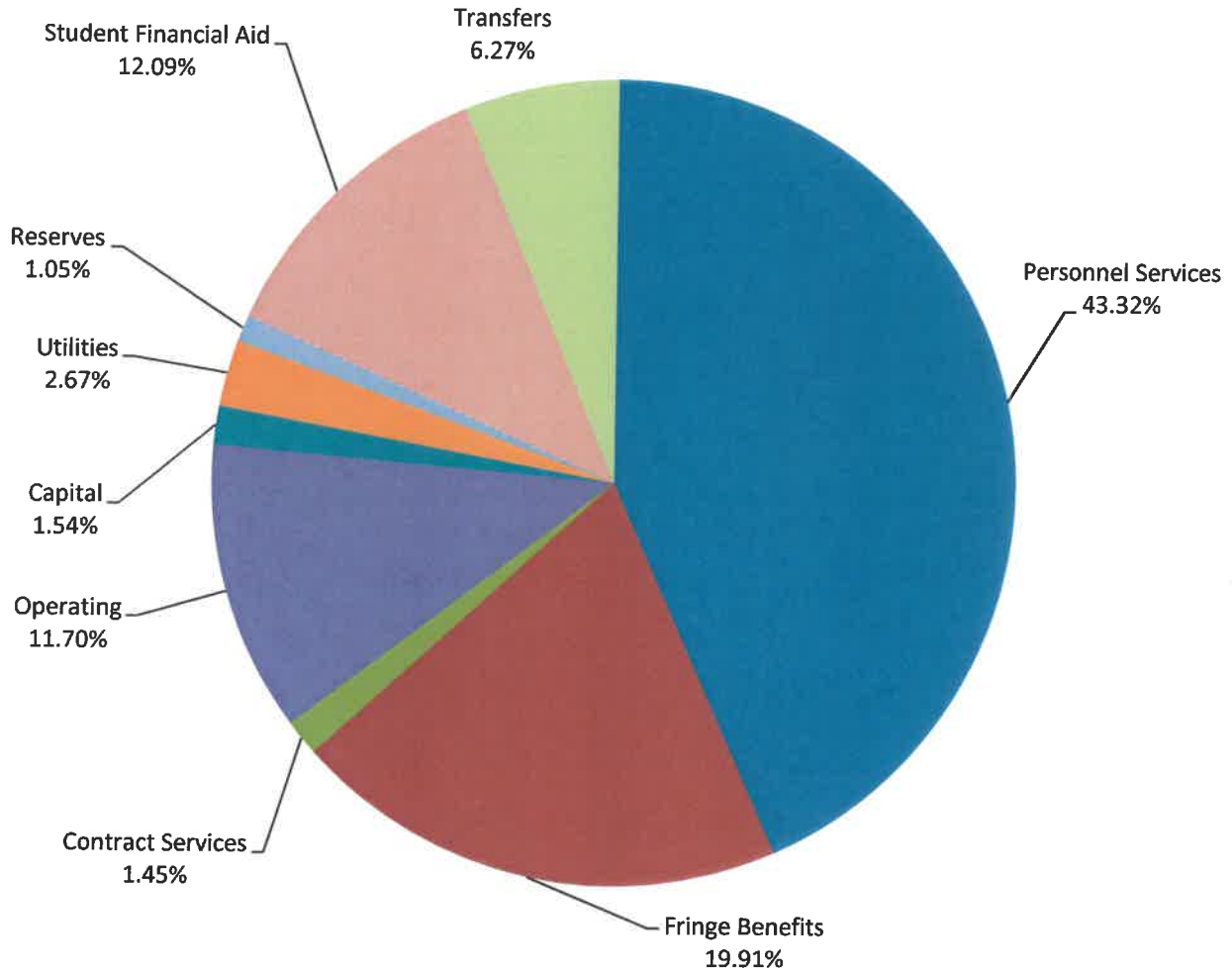
Budget Highlights and Analysis



Sources of Funds	\$
Governmental Appropriation - Regular	51,621,100
Tuition	138,067,200
Campus Recreation Mandatory Fee	4,397,600
Other Fees	991,400
Sale and Services of Educational Activities	4,644,600
Other Sources	6,899,100
Auxiliary Enterprises	16,779,000
Net Assets	3,000,000
Total	226,400,000

Budget Highlights and Analysis

Recurring Major Object of Expenditure

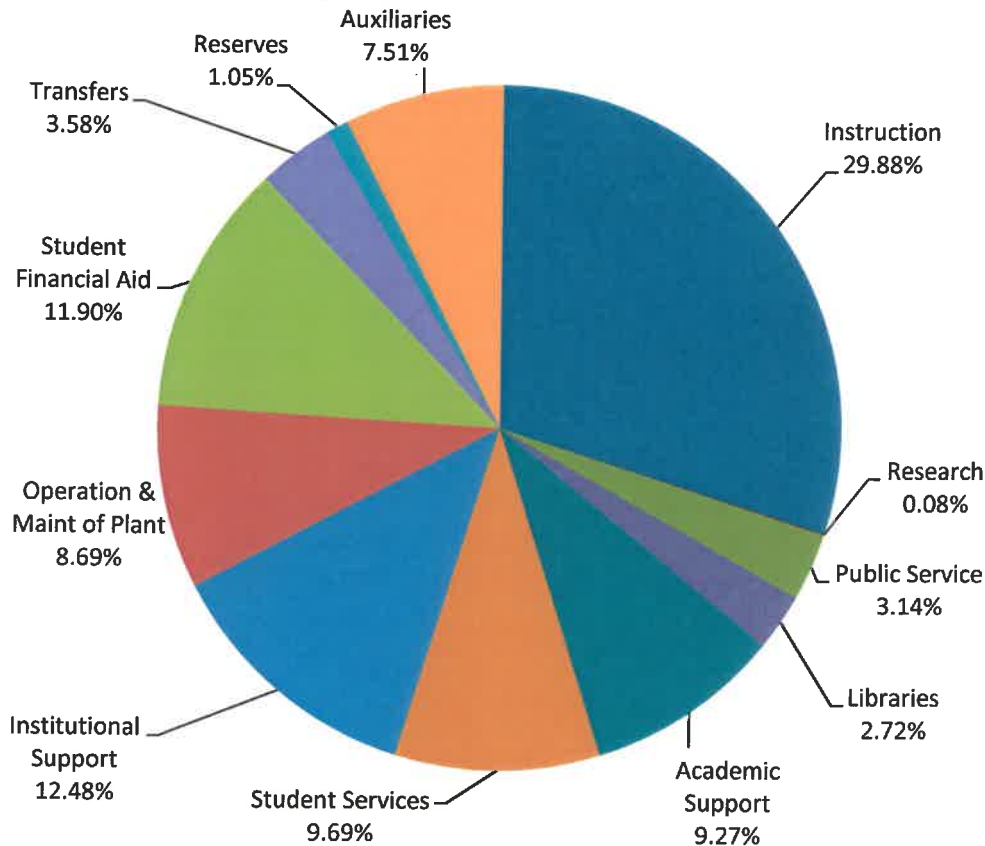


Major Object of Expenditure

Personnel Services	\$96,783,900
Benefits	\$44,470,900
Operating & Contract Services	\$29,373,700
Capital	\$3,443,000
Utilities	\$5,958,300
Student Financial Aid	\$27,016,800
Reserves (E&G)	\$2,356,600
Transfers (Debt Service)	\$13,996,800
Total	\$223,400,000

Budget Highlights and Analysis

Recurring Major Function Expenditures



Recurring Functional Area of Expenditure

Instruction	\$66,745,600
Research	\$185,700
Public Service	\$7,025,900
Libraries	\$6,076,200
Academic Support	\$20,709,700
Student Services	\$21,654,900
Institutional Support	\$27,885,600
Operations and Maintenance of Plant	\$19,412,100
Student Financial Aid	\$26,574,100
Transfers	\$7,994,600
Reserves (E&G)	\$2,356,600
Auxiliary Enterprises	\$16,779,000
Total	\$223,400,000

FY 2017-18 Academic Affairs Expenditure Budget

Total Academic Affairs

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	13,927,598	616,793	14,544,391
Faculty Payroll	49,952,455	0	49,952,455
Fringe Benefits	22,619,026	78,607	22,697,633
Student Compensation	1,244,593	0	1,244,593
Subtotal	87,743,672	695,400	8,843,907
Operating			
Pooled Operating	6,511,606	0	6,511,606
Non-Pooled Operating/Contract Svcs	3,889,960	0	3,889,960
Utilities	10,000	0	10,000
Subtotal	10,411,566	0	10,411,566
Capital			
Scholarships	2,126,359	0	2,126,359
Debt Service/Lease Payments	371,500	0	371,500
Total Expenditure Budget	123,659,070	695,400	124,354,470
Revenues	(6,434,906)	0	(6,434,906)
Total Central University Support	117,224,164	695,400	117,919,564

Budgeted FTE – Faculty	569
Budgeted FTE - Administration/Staff	294.61

FY 2017-18 Academic Affairs Expenditure Budget

Vice President Academic Affairs and Provost

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	549,556	262,754	812,310
Faculty Payroll	695,509	0	695,509
Fringe Benefits	575,890	0	575,890
Student Compensation	11,394	0	11,394
Subtotal	1,832,349	262,754	2,095,103
Operating			
Pooled Operating	426,768	0	426,768
Non-Pooled Operating/Contract Svcs	253,292	0	253,292
Utilities	0	0	0
Subtotal	680,060	0	680,060
Capital	319,732	0	319,732
Scholarships	0	0	0
Total Expenditure Budget	2,832,141	262,754	3,094,895
Revenues	0	0	0
Total Central University Support	2,832,141	262,754	3,094,895

Budgeted FTE – Faculty	1
Budgeted FTE - Administration/Staff	5.5

FY 2017-18 Academic Affairs Expenditure Budget

Chase College of Law

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	1,264,614	0	1,264,614
Faculty Payroll	3,170,872	0	3,170,872
Fringe Benefits	1,574,155	0	1,574,155
Student Compensation	6,326	0	6,326
Subtotal	6,015,967	0	6,015,967
Operating			
Pooled Operating	968,113	0	968,113
Non-Pooled Operating/Contract Svcs	7,580	0	7,580
Utilities	0	0	0
Subtotal	975,693	0	975,693
Capital	602,319	0	602,319
Scholarships	599,035	0	599,035
Total Expenditure Budget	8,193,014	0	8,193,014
Revenues	(41,500)	0	(41,500)
Total Central University Support	8,151,514	0	8,151,514
Budgeted FTE – Faculty	28		
Budgeted FTE - Administration/Staff	22		

FY 2017-18 Academic Affairs Expenditure Budget

College of Arts and Sciences

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	2,212,213	0	2,212,213
Faculty Payroll	19,776,287	0	19,776,287
Fringe Benefits	6,720,391	0	6,720,391
Student Compensation	167,565	0	167,565
Subtotal	<u>28,876,456</u>	<u>0</u>	<u>28,876,456</u>
Operating			
Pooled Operating	1,171,611	0	1,171,611
Non-Pooled Operating/Contract Svcs	608,571	0	608,571
Utilities	0	0	0
Subtotal	<u>1,780,182</u>	<u>0</u>	<u>1,780,182</u>
Capital			
Scholarships	0	0	0
Scholarships	351,504	0	351,504
Total Expenditure Budget	<u>31,008,142</u>	<u>0</u>	<u>31,008,142</u>
Revenues			
Total Central University Support	<u>(1,060,871)</u>	<u>0</u>	<u>(1,060,871)</u>
	<u>29,947,271</u>	<u>0</u>	<u>29,947,271</u>

Budgeted FTE – Faculty 245
 Budgeted FTE - Administration/Staff 52

FY 2017-18 Academic Affairs Expenditure Budget

College of Education and Human Services

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	620,211	0	620,211
Faculty Payroll	5,846,869	0	5,846,869
Fringe Benefits	1,972,505	0	1,972,505
Student Compensation	128,072	0	128,072
Subtotal	<u>8,567,657</u>	<u>0</u>	<u>8,567,657</u>
Operating			
Pooled Operating	211,510	0	211,510
Non-Pooled Operating/Contract Svcs	220,763	0	220,763
Utilities	0	0	0
Subtotal	<u>432,273</u>	<u>0</u>	<u>432,273</u>
Capital	3,200	0	3,200
Scholarships	37,000	0	37,000
Total Expenditure Budget	<u>9,040,130</u>	<u>0</u>	<u>9,040,130</u>
Revenues	(18,100)	0	(18,100)
Total Central University Support	<u>9,022,030</u>	<u>0</u>	<u>9,022,030</u>

Budgeted FTE – Faculty 74
 Budgeted FTE - Administration/Staff 13

FY 2017-18 Academic Affairs Expenditure Budget

College of Health Professions

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	477,797	354,039	477,797
Faculty Payroll	4,552,942	0	4,552,942
Fringe Benefits	1,435,148	78,607	1,435,148
Student Compensation	21,173	0	21,173
Subtotal	6,487,060	432,646	6,919,706
Operating			
Pooled Operating	274,079	0	274,079
Non-Pooled Operating/Contract Svcs	18,410	0	18,410
Utilities	0	0	0
Subtotal	292,489	0	292,489
Capital	0	0	0
Scholarships	0	0	0
Total Expenditure Budget	6,779,549	432,646	7,212,195
Revenues	(147,900)	0	(147,900)
Total Central University Support	6,631,649	432,646	7,064,295
Budgeted FTE – Faculty	54		
Budgeted FTE - Administration/Staff	9		

FY 2017-18 Academic Affairs Expenditure Budget

College of Informatics

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	864,576	0	864,576
Faculty Payroll	6,420,726	0	6,420,726
Fringe Benefits	2,201,521	0	2,201,521
Student Compensation	337,977	0	337,977
Subtotal	<u>9,824,800</u>	<u>0</u>	<u>9,824,800</u>
Operating			
Pooled Operating	581,204	0	581,204
Non-Pooled Operating/Contract Svcs	8,558	0	8,558
Utilities	0	0	0
Subtotal	<u>589,762</u>	<u>0</u>	<u>589,762</u>
Capital			
Scholarships	25,000	0	25,000
Debt Service/Lease Payments	0	0	0
Total Expenditure Budget	<u>7,687,149</u>		<u>7,687,149</u>
Revenues	(820,000)	0	(820,000)
Total Central University Support	<u>9,619,562</u>	<u>0</u>	<u>9,619,562</u>

Budgeted FTE – Faculty 72
 Budgeted FTE - Administration/Staff 14.11

FY 2017-18 Academic Affairs Expenditure Budget

Haile/US Bank College of Business

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	732,403	0	732,403
Faculty Payroll	6,159,067	0	6,159,067
Fringe Benefits	1,878,491	0	1,878,491
Student Compensation	50,210	0	50,210
Subtotal	8,820,171	0	8,820,171
Operating			
Pooled Operating	588,798	0	588,798
Non-Pooled Operating/Contract Svcs	73,943	0	73,943
Utilities	0	0	0
Subtotal	662,741	0	662,741
Capital	0	0	0
Scholarships	0	0	0
Total Expenditure Budget	9,482,912	0	9,482,912
Revenues	(172,300)	0	(172,300)
Total Central University Support	9,310,612	0	9,310,612
Budgeted FTE – Faculty	54		
Budgeted FTE - Administration/Staff	12		

FY 2017-18 Academic Affairs Expenditure Budget

Enrollment & Degree Management

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	3,219,570	0	3,219,570
Faculty Payroll	1,000	0	1,000
Fringe Benefits	2,270,607	0	2,270,607
Student Compensation	173,553	0	173,553
Subtotal	<u>5,664,730</u>	<u>0</u>	<u>5,664,730</u>
Operating			
Pooled Operating	853,548	0	853,548
Non-Pooled Operating/Contract Svcs	453,197	0	453,197
Utilities	0	0	0
Subtotal	<u>1,306,745</u>	<u>0</u>	<u>1,306,745</u>
Capital	0	0	0
Scholarships	20,770,933	0	20,770,933
Total Expenditure Budget	<u>27,742,408</u>	<u>0</u>	<u>27,742,408</u>
Revenues	(414,500)	0	(414,500)
Total Central University Support	<u>27,327,908</u>	<u>0</u>	<u>27,327,908</u>

Budgeted FTE – Faculty -
 Budgeted FTE - Administration/Staff 74

FY 2017-18 Academic Affairs Expenditure Budget

Global Engagement & International Affairs

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	363,169	0	363,169
Faculty Payroll	266,963	0	266,963
Fringe Benefits	297,992	0	297,992
Student Compensation	7,685	0	7,685
Subtotal	935,809	0	935,809
Operating			
Pooled Operating	709,847	0	709,847
Non-Pooled Operating/Contract Svcs	396,105	0	396,105
Utilities	0	0	0
Subtotal	1,105,952	0	1,105,952
Debt Service/Lease Payments	30,000	0	30,000
Scholarships	1,197,500	0	1,197,500
Total Expenditure Budget	3,269,261	0	3,269,261
Revenues	(1,277,585)	0	(1,277,585)
Total Central University Support	1,991,676	0	1,991,676

Budgeted FTE – Faculty 1
 Budgeted FTE - Administration/Staff 8

FY 2017-18 Academic Affairs Expenditure Budget

Graduate Education, Research & Outreach

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	1,227,392	0	1,227,392
Faculty Payroll	9,000	0	9,000
Fringe Benefits	909,791	0	909,791
Student Compensation	51,000	0	51,000
Subtotal	2,197,183	0	2,197,183
Operating			
Pooled Operating	378,012	0	378,012
Non-Pooled Operating/Contract Svcs	1,622,052	0	1,622,052
Utilities	0	0	0
Subtotal	2,000,064	0	2,000,064
Debt Service/Lease Payments	341,500	0	341,500
Scholarships	0	0	0
Total Expenditure Budget	4,538,747	0	4,538,747
Revenues	(2,341,500)	0	(2,341,500)
Total Central University Support	2,197,247	0	2,197,247

Budgeted FTE – Faculty -
 Budgeted FTE - Administration/Staff 20

FY 2017-18 Academic Affairs Expenditure Budget

Associate Provost for Library Services

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	881,696	0	881,696
Faculty Payroll	1,951,530	0	1,951,530
Fringe Benefits	1,411,191	0	1,411,191
Student Compensation	140,987	0	140,987
Subtotal	4,385,404	0	4,385,404
Operating			
Pooled Operating	104,644	0	104,644
Non-Pooled Operating/Contract Svcs	222,601	0	222,601
Utilities	10,000	0	10,000
Subtotal	337,245	0	337,245
Capital	1,200,194	0	1,200,194
Scholarships	0	0	0
Total Expenditure Budget	5,922,843	0	5,922,843
Revenues	(37,350)	0	(37,350)
Total Central University Support	5,885,493	0	5,885,493
Budgeted FTE – Faculty	22		
Budgeted FTE - Administration/Staff	31		

FY 2017-18 Academic Affairs Expenditure Budget

Undergraduate Academic Programs

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	1,474,746	0	1,474,746
Faculty Payroll	1,101,690	0	1,101,690
Fringe Benefits	1,356,091	0	1,356,091
Student Compensation	148,651	0	148,651
Subtotal	4,081,178	0	4,081,178
Operating			
Pooled Operating	243,472	0	243,472
Non-Pooled Operating/Contract Svcs	4,888	0	4,888
Utilities	0	0	0
Subtotal	248,360	0	248,360
Capital	915	0	915
Scholarships	25,000	0	25,000
Total Expenditure Budget	4,355,453	0	4,355,453
Revenues	(103,300)	0	(103,300)
Total Central University Support	4,252,153	0	4,252,153

Budgeted FTE – Faculty 18

Budgeted FTE - Administration/Staff 34

**Total
Administration & Finance**

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	18,385,198	0	18,385,198
Fringe Benefits	14,893,844	0	14,893,844
Student Compensation	647,322	0	647,322
Subtotal	33,926,364	0	33,926,364
Operating			
Pooled Operating	2,930,732	1,877,400	4,808,132
Non-Pooled Operating/Contract Svcs	9,264,261	0	9,264,261
Utilities	4,623,000	0	4,623,000
Subtotal	16,817,993	1,877,400	18,695,393
Capital			
Debt Service/Lease Payments	1,036,222	0	1,036,222
	9,503,489	0	9,503,489
Total Expenditure Budget	61,284,068	1,877,400	63,161,468
Revenues			
	(7,393,218)	0	(7,393,218)
Total Central University Support	53,890,850	1,877,400	55,768,250
 Budgeted FTE - Administration/Staff	 408.5		

Sr. Vice President Administration & Finance

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	472,024	0	472,024
Fringe Benefits	44,356	0	44,356
Student Compensation	262,705	0	262,705
Subtotal	779,085	0	779,085
Operating			
Pooled Operating	39,241	0	39,241
Non-Pooled Operating/Contract Svcs	103,586	0	103,586
Utilities	0	0	0
Subtotal	142,827	0	142,827
Capital			
Debt Service/Lease Payments	0	0	0
Total Expenditure Budget	921,912	0	921,912
Revenues			
Total Central University Support	921,912	0	921,912
Budgeted FTE - Administration/Staff	4.5		

Business Operations & Auxiliary Services

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	771,116	0	771,116
Fringe Benefits	601,243	0	601,243
Student Compensation	107,455	0	107,455
Subtotal	1,479,814	0	1,881,786
Operating			
Pooled Operating	1,298,635	0	1,298,635
Non-Pooled Operating/Contract Svcs	1,839,140	0	1,839,140
Utilities	308,000	0	308,000
Subtotal	3,445,775	0	3,445,775
Capital			
Capital	14,628	0	14,628
Debt Service/Lease Payments	2,729,872	0	2,729,872
Total Expenditure Budget	7,670,089	0	7,670,089
Revenues			
Revenues	(6,921,018)	0	(6,921,018)
Total Central University Support	749,071	0	749,071
Budgeted FTE - Administration/Staff	21		

Facilities Management

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	7,415,404	0	7,415,404
Fringe Benefits	5,792,488	0	5,792,488
Student Compensation	12,422	0	12,422
Subtotal	13,220,314	0	13,220,314
Operating			
Pooled Operating	1,731,027	1,301,400	3,032,427
Non-Pooled Operating/Contract Svcs	(75,172)	0	(75,172)
Utilities	4,315,000	10,000	4,325,000
Subtotal	5,970,855	1,311,400	7,282,255
Capital			
Capital	32,308	0	32,308
Debt Service/Lease Payments	1,690,323	0	1,690,323
Total Expenditure Budget	20,913,800	1,311,400	22,225,200
Revenues			
Revenues	(458,500)	0	(458,500)
Total Central University Support	20,455,300	1,311,400	21,766,700

Budgeted FTE - Administration/Staff 212

Human Resources

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	1,217,003	0	1,217,003
Fringe Benefits	2,847,129	0	2,847,129
Student Compensation	6,860	0	6,860
Subtotal	4,070,992	0	4,070,992
Operating			
Pooled Operating	123,905	0	123,905
Non-Pooled Operating/Contract Svcs	170,958	0	170,958
Utilities	0	0	0
Subtotal	294,863	0	294,863
Capital			
Capital	0	0	0
Debt Service/Lease Payments	0	0	0
Total Expenditure Budget	4,365,855	0	4,365,855
Revenues			
Revenues	0	0	0
Total Central University Support	4,365,855	0	4,365,855

Budgeted FTE - Administration/Staff 22

Planning & Institutional Research

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	624,972	0	624,972
Fringe Benefits	401,819	0	401,819
Student Compensation	0	0	0
Subtotal	1,026,791	0	1,026,791
Operating			
Pooled Operating	9,630	0	9,630
Non-Pooled Operating/Contract Svcs	13,551	0	13,551
Utilities	0	0	0
Subtotal	23,181	0	23,181
Capital			
Debt Service/Lease Payments	0	0	0
Total Expenditure Budget	1,049,972	0	1,049,972
Revenues			
	0	0	0
Total Central University Support	1,049,972	0	1,049,972
Budgeted FTE - Administration/Staff	10		

Chief Information Officer

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	5,905,576	0	5,905,576
Faculty Payroll	0	0	0
Fringe Benefits	3,966,425	0	3,966,425
Student Compensation	168,841	0	168,841
Subtotal	10,040,842	0	10,040,842
Operating			
Pooled Operating	466,300	566,000	1,032,300
Non-Pooled Operating/Contract Svcs	3,194,612	0	3,194,612
Utilities	0	0	0
Subtotal	3,660,912	566,000	4,226,912
Capital			
Capital	989,286	0	989,286
Debt Service/Lease Payments	136,319	0	136,319
Total Expenditure Budget	14,827,359	566,000	15,393,359
Revenues			
Revenues	(1,700)	0	(1,700)
Total Central University Support	14,825,659	566,000	15,391,659

Budgeted FTE - Administration/Staff 97

Chief Financial Officer

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	1,979,103	0	1,979,103
Fringe Benefits	1,022,035	0	1,022,035
Student Compensation	307,388	0	307,388
Subtotal	<u>3,308,526</u>	<u>0</u>	<u>3,308,526</u>
Operating			
Pooled Operating	(738,006)	0	(738,006)
Non-Pooled Operating/Contract Svcs	4,017,586	0	4,017,586
Utilities	0	0	0
Subtotal	<u>3,279,580</u>	<u>0</u>	<u>3,279,580</u>
Capital			
Capital	0	0	0
Debt Service/Lease Payments	4,946,975	0	4,946,975
Total Expenditure Budget	<u>11,218,518</u>	<u>0</u>	<u>11,218,518</u>
Revenues			
Revenues	(12,000)	0	(12,000)
Total Central University Support	<u>11,523,081</u>	<u>0</u>	<u>11,523,081</u>

Budgeted FTE - Administration/Staff 42

FY 2017-18 General Administration Expenditure Budget

Office of the President

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	698,236	0	698,236
Faculty Special Comp	8,091	0	8,091
Fringe Benefits	155,320	0	155,320
Student Compensation	7,721	0	7,721
Subtotal	869,368	0	869,368
Operating			
Pooled Operating	323,177	0	323,177
Non-Pooled Operating/Contract Svcs	377,001	0	377,001
Utilities	0	0	0
Subtotal	700,178	0	700,178
Capital	0	0	0
Debt Service/Lease Payments	0	0	0
Total Expenditure Budget	1,569,546	0	1,569,546
Revenues	0	0	0
Total Central University Support	1,569,546	0	1,569,546

Budgeted FTE - Administration/Staff 4

FY 2017-18 Inclusive Excellence Budget

Inclusive Excellence

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	157,970	0	157,970
Faculty Payroll	0	0	0
Fringe Benefits	60,405	0	60,405
Subtotal	218,375	0	218,375
Operating			
Pooled Operating	18,312	0	18,312
Non-Pooled Operating/Contract Svcs	188	0	188
Utilities	0	0	0
Subtotal	18,500	0	18,500
Total Expenditure Budget	237,475	0	237,475
Revenues	0	0	0
Total Central University Support	237,475	0	237,475
 Budgeted FTE - Administration/Staff	 2		

FY 2017-18 Legal Affairs & General Counsel Expenditure Budget

Legal Affairs & Operational Auditing

	<u>Annual Budget (\$)</u>	<u>One-time Special Allocation (\$)</u>	<u>Total Annual Budget (\$)</u>
Personnel			
Staff Administrative Payroll	583,312	0	583,312
Fringe Benefits	306,821	0	306,821
Student Compensation	10,048	0	10,048
Subtotal	<u>900,181</u>	<u>0</u>	<u>900,181</u>
Operating			
Pooled Operating	32,226	0	32,226
Non-Pooled Operating/Contract Srvcs	175,563	0	175,563
Subtotal	<u>207,789</u>	<u>0</u>	<u>207,789</u>
Total Expenditure Budget	1,107,970	0	1,107,970
Revenues	<u>0</u>	<u>0</u>	<u>0</u>
Total Central University Support	<u>1,107,970</u>	<u>0</u>	<u>1,107,970</u>

Budgeted FTE - Administration/Staff 7

FY 2017-18 Student Affairs Expenditure Budget

**Total
Student Affairs**

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	4,397,319	0	4,397,319
Faculty Payroll	375	0	375
Fringe Benefits	3,021,167	0	3,021,167
Student Compensation	754,569	0	754,569
Subtotal	8,173,430	0	8,173,430
Operating			
Pooled Operating	3,475,511	20,000	3,495,511
Non-Pooled Operating/Contract Srvcs	2,809,199	0	2,809,199
Utilities	1,325,300	0	1,325,300
Subtotal	7,610,010	20,000	7,630,010
Capital			
Scholarships	148,450	0	148,450
Debt Service/Lease Payments	433,874	0	433,874
Total Expenditure Budget	19,430,893	20,000	19,450,893
Revenues			
	(11,475,641)	0	(11,475,641)
Total Central University Support	7,955,252	20,000	7,975,252

Budgeted FTE - Administration/Staff 101

FY 2017-18 Student Affairs Expenditure Budget

Vice President Student Affairs

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	356,714	0	356,714
Faculty Payroll	0	0	0
Fringe Benefits	132,849	0	132,849
Student Compensation	20,830	0	20,830
Subtotal	510,393	0	510,393
Operating			
Pooled Operating	387,903	0	387,903
Non-Pooled Operating/Contract Svcs	586	0	586
Utilities	0	0	0
Subtotal	388,489	0	388,489
Capital	0	0	0
Scholarships	0	0	0
Debt Service/Lease Payments	0	0	0
Total Expenditure Budget	898,882	0	898,882
Revenues	0	0	0
Total Central University Support	898,882	0	898,882

Budgeted FTE - Administration/Staff 4

FY 2017-18 Student Affairs Expenditure Budget

AVP Student Engagement & Dean of Students

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	1,576,502	0	1,576,502
Faculty Payroll	375	0	375
Fringe Benefits	1,335,890	0	1,335,890
Student Compensation	687,493	0	687,493
Subtotal	3,600,260	0	3,600,260
Operating			
Pooled Operating	2,810,055	0	2,810,055
Non-Pooled Operating/Contract Svcs	2,651,119	0	2,651,119
Utilities	1,325,300	0	1,325,300
Subtotal	6,786,474	0	6,786,474
Capital	148,450	0	148,450
Scholarships	423,059	0	423,059
Debt Service/Lease Payments	3,065,129	0	3,065,129
Total Expenditure Budget	14,023,372	0	14,023,372
Revenues	(11,347,891)	0	(11,347,891)
Total Central University Support	2,675,481	0	2,675,481

Budgeted FTE - Administration/Staff 48

FY 2017-18 Student Affairs Expenditure Budget

AVP Student Affairs & Ombudsman

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	1,425,378	0	1,425,378
Faculty Payroll	0	0	0
Fringe Benefits	1,004,067	0	1,004,067
Student Compensation	46,246	0	46,246
Subtotal	<u>2,475,691</u>	<u>0</u>	<u>2,475,691</u>
Operating			
Pooled Operating	186,928	0	186,928
Non-Pooled Operating/Contract Svcs	147,072	0	147,072
Utilities	0	0	0
Subtotal	<u>334,000</u>	<u>0</u>	<u>334,000</u>
Capital			
Scholarships	0	0	0
Debt Service/Lease Payments	10,815	0	10,815
Debt Service/Lease Payments	0	0	0
Total Expenditure Budget	<u>2,820,506</u>	<u>0</u>	<u>2,820,506</u>
Revenues	(117,750)	0	(117,750)
Total Central University Support	<u>2,702,756</u>	<u>0</u>	<u>2,702,756</u>

Budgeted FTE - Administration/Staff 26

FY 2017-18 Student Affairs Expenditure Budget

University Police

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	1,038,725	0	1,038,725
Faculty Payroll	0	0	0
Fringe Benefits	548,361	0	548,361
Student Compensation	0	0	0
Subtotal	<u>1,587,086</u>	<u>0</u>	<u>1,587,086</u>
Operating			
Pooled Operating	90,624	20,000	110,624
Non-Pooled Operating/Contract Svcs	10,422	0	10,422
Utilities	0	0	0
Subtotal	<u>101,046</u>	<u>20,000</u>	<u>121,046</u>
Total Expenditure Budget	<u>1,688,132</u>	<u>0</u>	<u>1,708,132</u>
Revenues	(10,000)	0	(10,000)
Total Central University Support	<u>1,678,132</u>	<u>20,000</u>	<u>1,698,132</u>

Budgeted FTE - Administration/Staff 23

FY 2017-18 University Advancement Expenditure Budget

University Advancement

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	2,795,841	198,007	2,993,848
Faculty Payroll	6,000	0	6,000
Fringe Benefits	1,711,638	125,693	1,837,331
Student Compensation	42,234	10,000	52,234
Subtotal	4,555,713	333,700	4,889,413
Operating			
Pooled Operating	993,790	90,310	1,084,100
Non-Pooled Operating/Contract Srvcs	189,325	3,000	192,325
Utilities	0	10,000	10,000
Subtotal	1,183,115	103,310	1,286,425
Capital			
Capital	0	0	0
Scholarships	61,062	0	61,062
Debt Service/Lease Payments	474,556	0	474,556
Total Expenditure Budget	6,274,446	437,010	6,711,456
Revenues			
Revenues	(171,155)	0	(171,155)
Total Central University Support	6,103,291	437,010	6,540,301

Budgeted FTE - Administration/Staff 44.89

2017-18 Athletics Expenditure Budget

Intercollegiate Athletics

	Annual Budget (\$)	One-time Special Allocation (\$)	Total Annual Budget (\$)
Personnel			
Staff Administrative Payroll	2,720,560	0	2,720,560
Faculty Payroll	0	0	0
Fringe Benefits	1,624,780	0	1,624,780
Student Compensation	192,939	0	192,939
Subtotal	4,538,279	0	4,538,279
Operating			
Pooled Operating	765,657	0	765,657
Non-Pooled Operating/Contract Svcs	574,547	0	574,547
Utilities	0	0	0
Subtotal	1,340,204	0	1,340,204
Capital	131,988	0	131,988
Scholarships	3,496,256	0	3,496,256
Debt Service/Lease Payments	329,805	0	329,805
Total Expenditure Budget	9,836,532	0	9,836,532
Revenues	(717,750)	0	(717,750)
Total Central University Support	9,118,782	0	9,118,782

Budgeted FTE - Administration/Staff 47

Welcome & Kickoff

August 31, 2016



Academic Affairs



Academic Affairs Office of the Provost

Presented by Sue Ott Rowlands

August 31, 2016



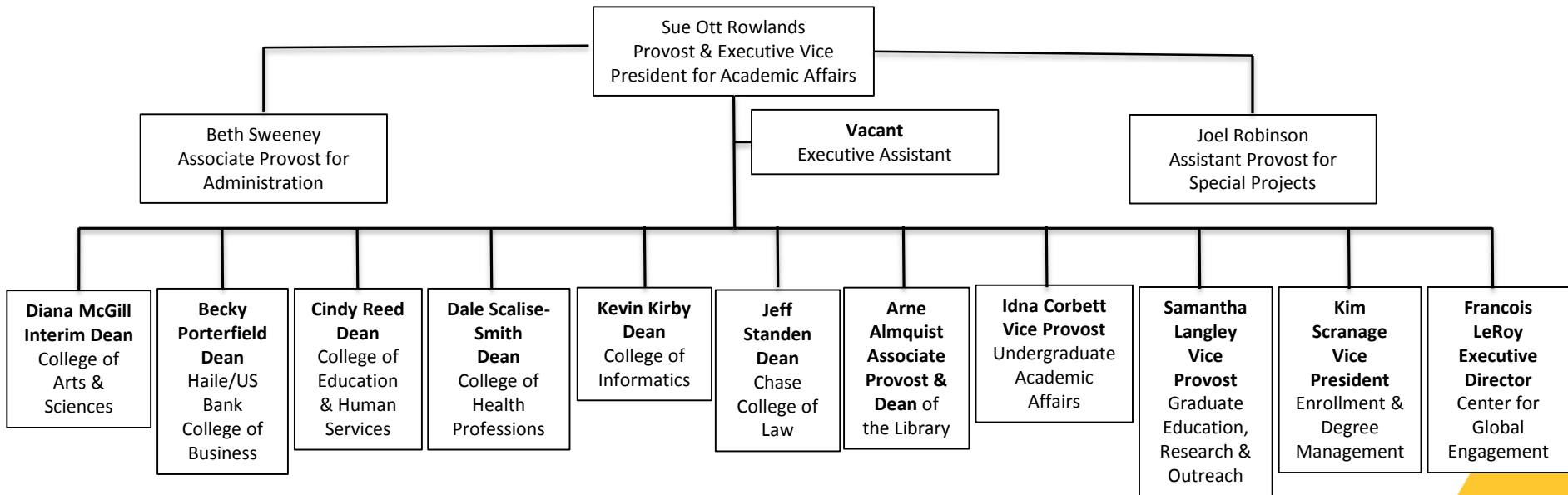
Academic Affairs: Office of the Provost

Unit Overview

The Office of the Provost provides oversight for the full complement of NKU's academic programs. Our mission is to support the success of faculty, staff and students who are engaged in the central mission of Northern Kentucky University: sound academic preparation of our students for a lifetime of learning, professional achievement, personal satisfaction, and public engagement.

Academic Affairs: Office of the Provost

Unit Overview



Academic Affairs: Office of the Provost

Service Provided

Support Unit	Current Services
Faculty Affairs	<ul style="list-style-type: none"> • Funding support for sabbaticals (beginning FY18), faculty grants and summer fellowships • Support for conference travel and research, both domestic and international • Oversight for annual RPT process • Support for Faculty Senate and Senate committees, including Faculty Handbook updates • Faculty hiring, retention, and credentialing • Implementation and oversight of professional development activities for faculty, such as MGGI and orientations for new faculty and new administrators
International Initiatives	<ul style="list-style-type: none"> • Funding support for international recruitment • Funding support for International Fellows program • Support for international institutional partnerships and articulation agreements
Institutional Initiatives	<ul style="list-style-type: none"> • Provide support/oversight for institutional initiatives, such as: Governor's Scholars Program, online education, undergraduate research, transdisciplinarity, new budget model, enrollment and student success initiatives, etc. • Health Innovation Center: Provide administrative oversight for grant proposals related to HIC research, support HIC Stakeholders Committee, present public programming related to HIC, such as the Sam Quinones residency in 2016.

Academic Affairs: Office of the Provost

Service Provided

Support Unit	Current Services
External Affairs	<ul style="list-style-type: none">• Represent NKU at the CCAO Roundtable and provide oversight for other CPE committee memberships• Coordinate efforts with EAB, including SSC and multiple forums• Represent NKU at AAC&U, AASCU, ACE and other national organizations• Coordinate institution-wide initiatives as appropriate in economic development, research, engagement, and institutional partnerships
Administrative	<ul style="list-style-type: none">• Provide support and oversight for creation of academic policies, drafting policies as needed• Ensure compliance with SACSCOC comprehensive standards related to faculty and administrative and academic officers.• Provide support and oversight for financial management• Provide support and oversight for personnel management• Provide training and assistance to effectively integrate new administrative staff• Provide assistance in educating academic faculty and staff on policies and procedures

Academic Affairs: Office of the Provost

Potential Metrics & Evaluation

- Metrics include effectiveness of faculty hiring and retention (particularly in terms of diversity), full compliance with faculty grant and sabbatical reporting
- Implementation of the Academic Innovation Plan from the strategic planning process; ability to stay on track with initiatives planning and reporting
- Effective retention of junior faculty and successful mentoring to success in RPT process
- Successful accreditation with SACSCOC and other accrediting bodies

Academic Affairs: Office of the Provost

Potential Metrics & Evaluation

- Effective new program proposal process, including shepherding programs successfully through UCC, CPE, and BOR approvals
- Effective maintenance of academic policies and procedures
- Healthy faculty and administration relationships maintained, including necessary updates to the Faculty Handbook
- Enrollment, retention, persistence, and degree completion targets met annually

Academic Affairs: Office of the Provost

Future Considerations

- The work of the Office of the Provost has been supported in large part by non-recurring funds. With the new budget model those funds are no longer available. Between the budget reductions (FY14-FY16) and the new budget model, new recurring resources will need to be allocated in order to continue providing services at the current level.

Enrollment and Degree Management

August 31, 2016

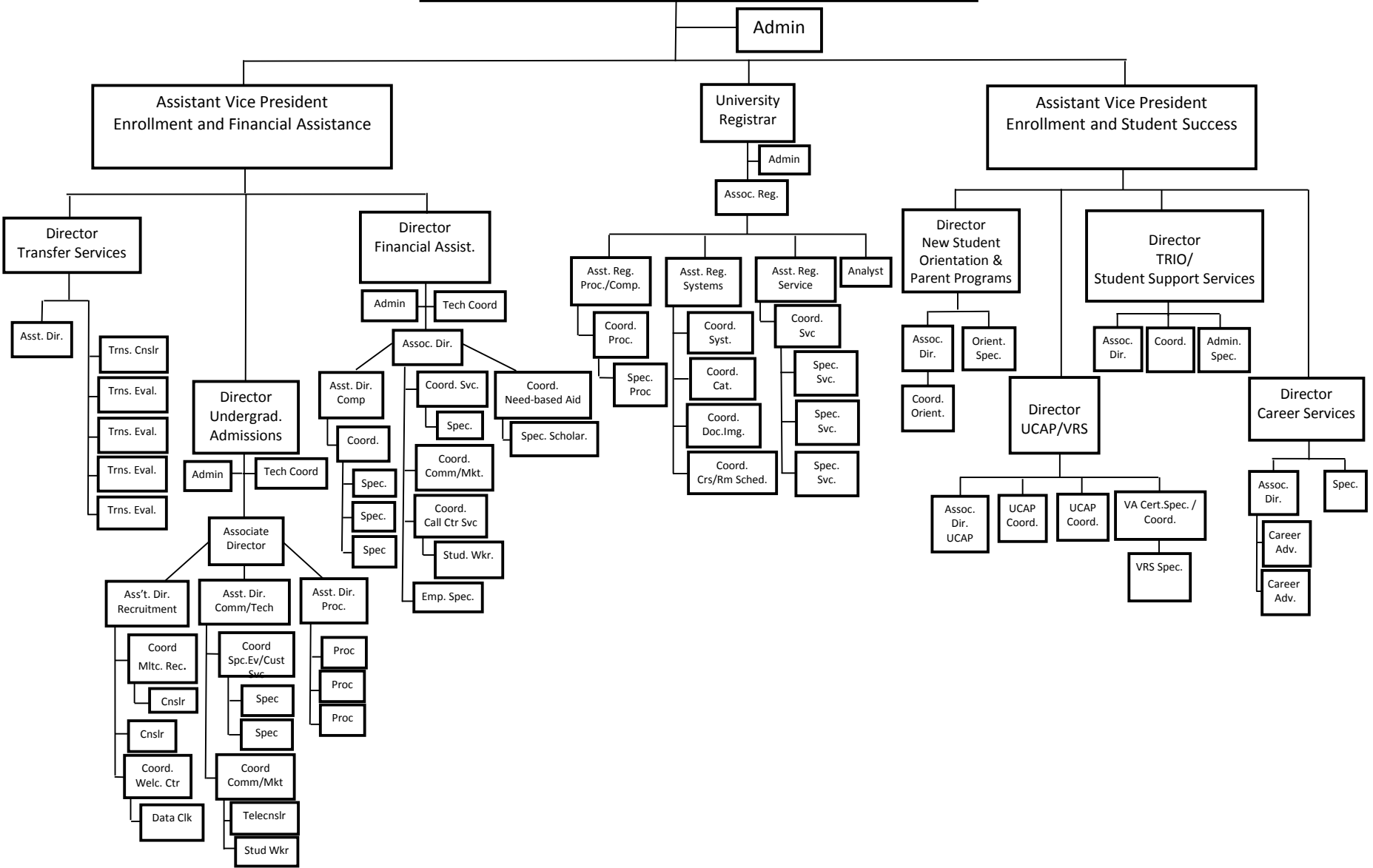


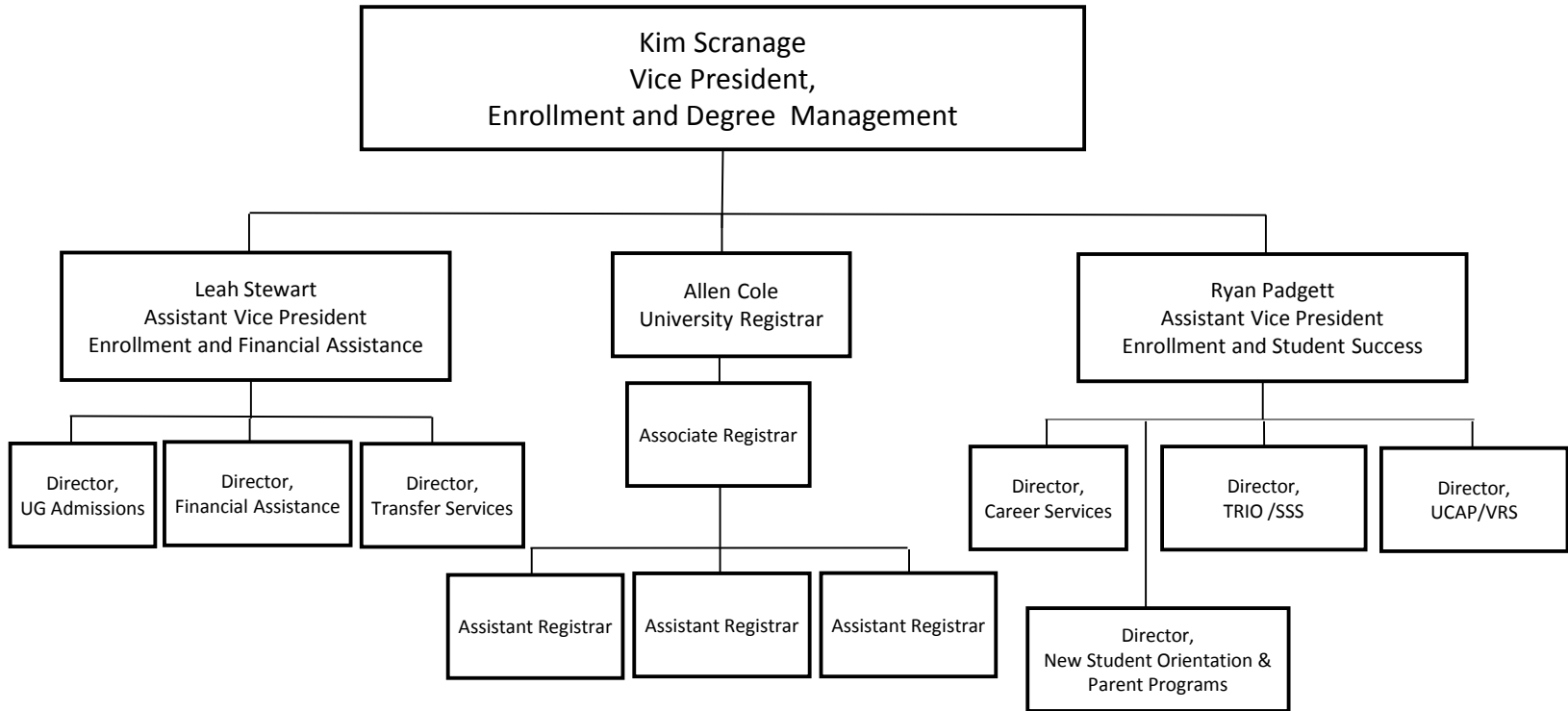
Enrollment and Degree Management

Unit Overview

- Mission: Enrollment and Degree Management is a **comprehensive process** designed to support the institution in achieving and maintaining optimum **recruitment, retention, persistence, and graduation . . .**

Vice President Enrollment and Degree Management





Enrollment and Degree Management Administrative

Current Services	
Administrative Leadership	Work closely with the President, Provost and Executive Vice President for Academic Affairs, and other senior leaders to optimize financial aid, pricing, and the leveraging of institutional resources to recruit and retain students
	Communicate with the university community to broaden enrollment initiatives; inform progress; and share results
	Promote open conversation to engage and galvanize the entire NKU community in working together to achieve the enrollment vision
	Produce forward-looking, transparent strategic plans, models, and budgets that link expenditures to outcomes
	Understand the potential value of technological innovations and lead the process of harnessing emerging technologies and leveraging NKU's technology investments to support the processes and opportunities within enrollment

Enrollment and Financial Assistance

Current Services	
Administrative Leadership	<ul style="list-style-type: none">• Coordinate campus-wide recruitment efforts• Develop, implement, and assess merit and need financial models• Support financial literacy, access, and affordability campaigns
Financial Assistance	<ul style="list-style-type: none">• Administer federal, state and institutional merit and need-based aid ensuring compliance that govern student aid programs (approximately \$150M annually)• Promote financial aid literacy and facilitate the processing of aid through various systems that are state and federally regulated.• Process athletic scholarship aid for 232 student athletes totaling over \$2.9M in financial aid• Provide oversight to the federal ($n = 265$; \$571,995) and institutional student employment work program ($n = 1,171$; \$2,695,246)• Host 100+ financial aid programs on and off-campus

Enrollment and Financial Assistance

Current Services

Recruitment

- Develop and execute a strategic recruitment plan
- Develop and cultivate external partnerships to support enrollment growth (high school counselors, college coaches, community organizations/leaders and community colleges)
- Collaborate with Marketing and Communication to broaden NKU's visibility and perception
- Host over 4,000 visitors on campus and attend 500 annual off-campus recruitment events
- Process over 17,000 undergraduate admissions applications and 80,000 credentials annually (high school and college transcripts, test scores, etc.)
- Maintain transfer equivalencies and partner with Learning PLUS on academic pathways, articulation agreements, and partnerships with selected institutions

University Registrar

Current Services

Official Record- Keeping Services

- Maintain the integrity of the academic student record
- Certify academic eligibility for student athletes as governed by NCAA regulations
- Responsible for academic calendar, class room scheduling, course offerings, student registration process, and processing grades
- Maintain and update university catalogs

Enrollment and Student Success

Current Services	
Administrative Leadership	<ul style="list-style-type: none">• Coordinate campus-wide retention outreach efforts• Develop programs/services to support at-risk students• Implement strategies aligned with student success• Management of EAB Student Success Collaborative
Supporting the Life Cycle of the Student	<ul style="list-style-type: none">• <i>Registration/Orientation</i> for incoming students• Early referral and triage in University Connect and Persist (UCAP)• Book Lending Library and financial literacy in UCAP• Certification, programs, and services in Veterans Resource Station• Career development and exploration in Career Services• Wrap-around support for first-generation and low income students in TRIO Student Support Services• Parent Programs – first-generation financial workshops• <i>Summer Spark</i> – summer bridge program for first-generation and murky middle students

Enrollment and Degree Management

Key Performance Indicators (KPIs)

- Enrollment
 - KPIs: Headcount, FTE
- Student quality
 - KPIs: ACT, high school GPA, transfer GPA
- Student progress
 - KPIs: Retention, persistence, continuation, graduation rates (4-6 yr), satisfactory academic progress, academic standing, midterm and final grades, stop-outs

UCAP Book Lending Library – 2015-16

\$17,256.95 – Value of books donated by students to the Lending Library

488 students served in 2015-16



Enrollment and Degree Management

Key Performance Indicators (KPIs)

- Market position
 - PIs: Market demand research, social media metrics, institution brand image studies, alumni survey data, employer survey data, default rate, price sensitivity, Clearinghouse
- Program quality
 - UG class size, student/faculty ratio, placement/licensure exams, accreditation, rankings/recognitions

Growth in Social Media Presence

Facebook: Engaged users up 125% from prior year

Page Likes up 40% from prior year

Twitter (@NKUEDU): Profile visits up 206% from prior year

Followers up 11% from prior year

Twitter (@PRESIDENTMEARNS): Profile visits up 206%

Followers up 128%



Enrollment and Degree Management

Key Performance Indicators (KPIs)

- Student satisfaction
 - PIs: BCSSE/NSSE, program evaluations, survey research, alumni survey, First Destination survey
- Diversity/sub population of enrollment and success
 - Headcount, FTE, retention, persistence, graduation by URM and veterans as compared to general population

Aid Award for 2015-16 – 86% of Students Receive Aid
Institutional Merit (rolling scholarships only) – 2,082
students, total award of \$12,382,155
Institutional Need-based – 933 students, total award of
\$1,678,009

Enrollment and Degree Management

Future Considerations

- Recruitment – Undergraduate applications have increased 14% over the last 5 years; during that same time the Office of Undergraduate Admissions has lost 2 FTE positions
 - Declining demographics with an increase in competition
 - Tuition-driven
- Technology
 - Automation for key processes (e.g., degree audit, waitlist, etc.)
 - Need for growth in the mobile market
- Efficiencies
 - Delivery of a Career Services hybrid model
 - Creating synergy teams (i.e., centralized application processing)

Vice Provost for Undergraduate Academic Affairs

August 31, 2016



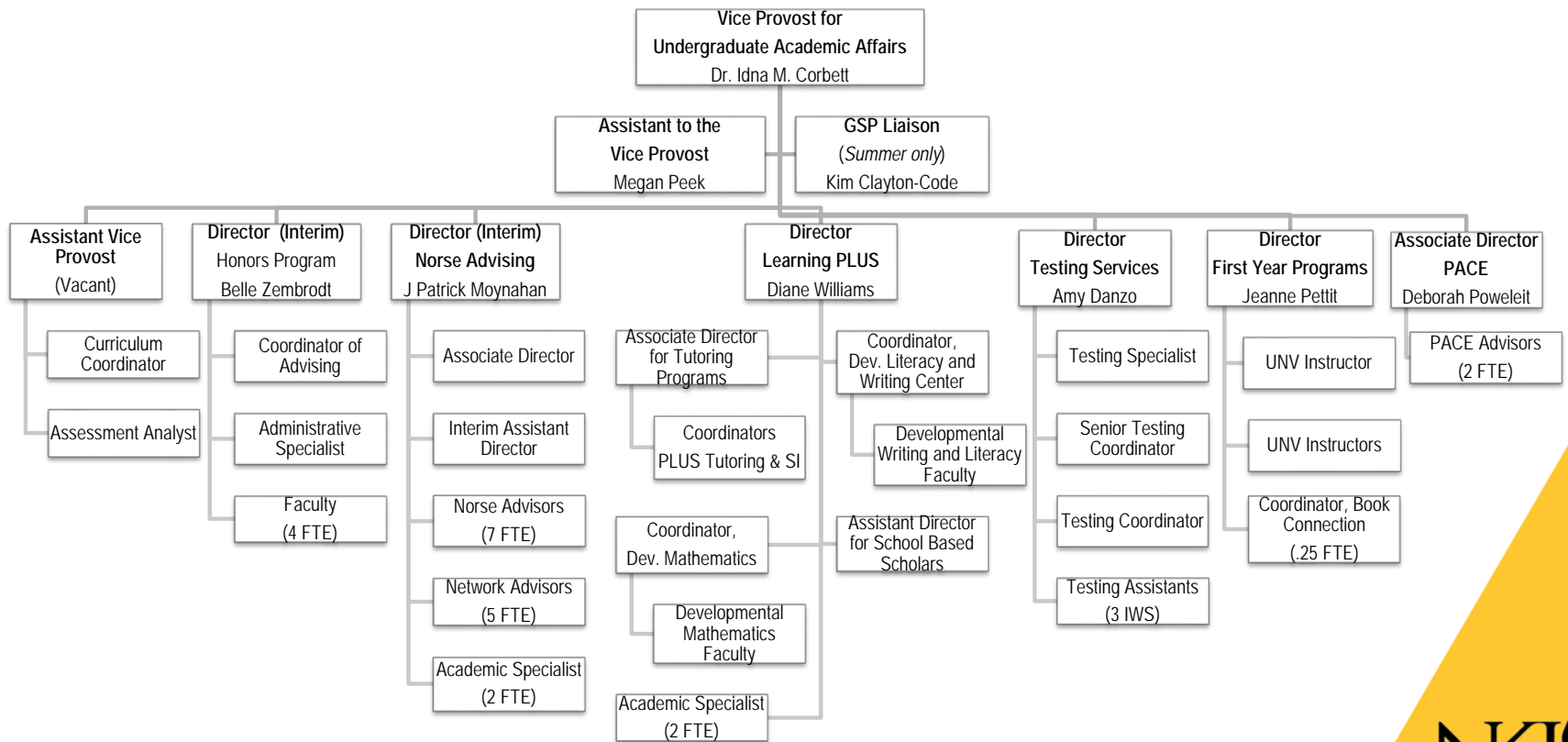
Vice Provost for Undergraduate Academic Affairs

Unit Overview – Mission

- The mission of Undergraduate Academic Affairs is to provide a seamless integration of academic services and relational support across a student's academic career to increase retention, cultivate persistence, and promote degree completion.

Vice Provost for Undergraduate Academic Affairs

Unit Overview – Org Chart



Vice Provost for Undergraduate Academic Affairs

Support Service Programs

Support Unit	Current Services
First Year Programs	<ul style="list-style-type: none">• UNV 101 – Orientation to College and Beyond• Learning Communities• Book Connection – Freshman Common Read Program• Alpha Lambda Delta – National Freshman Honorary Society
Learning PLUS	<ul style="list-style-type: none">• PLUS Tutoring, PLUS Online, Writing Center, Success PLUS, Supplemental Instruction• Developmental and Co-requisite Courses• School-Based Scholars• Pathway and Articulation Agreements
Honors Program	<ul style="list-style-type: none">• Admits 200+ students per year; serves 500+ students• Small, seminar-style classes with renowned faculty (HNR 101, seminars, and capstone)• Honors courses in the departments, e.g. HNR151 (English)• Community of Honors students with Honors residential option• One-on-one mentoring and research opportunities with faculty• Offers a variety of co-curricular activities to students in the program

Vice Provost for Undergraduate Academic Affairs

Support Service Programs

Support Unit	Current Services
Norse Advising	<ul style="list-style-type: none">• Primary Advising for Undeclared in University Studies, Pathfinder Students and Special Cohorts (Chase 3+3, Integrative Studies, Non-Degree and Project Graduate• Secondary Advising for Academic Units in all Five Undergraduate Colleges, Five Academic Departments, International Students and School-Based Scholars• Walk-In Advising and Student Support, Academic Success Workshops• Pathfinder Program and Services• Advisor Training, Seminar Series and Master Advisor Certification Program• Advising Council and Professional Advisor Network Programming and Communication
PACE	<ul style="list-style-type: none">• Adult classes for Northern Kentucky, Greater Cincinnati, and Clermont County• Advisors develop a plan to meet adult students' personal and professional goals• Partnership with local corporations and organizations – NKU provides degree programs onsite for their employees• Corporate agreements with<ul style="list-style-type: none">• Children's Hospital Medical Center• The Christ Hospital• TriHealth, Inc.• St. Elizabeth Healthcare

Vice Provost for Undergraduate Academic Affairs

Support Service Programs

Support Unit	Current Services
Testing Services	<ul style="list-style-type: none">• Accommodated testing – Serves students registered with Disability Services• Placement Testing for incoming students – Serves admissions and advising• Admission Exams (National ACT, Residual ACT, Accuplacer Admissions Test) – Serves admissions, incoming students and NKU community• Administer Professional Certification/Licensure Exams – Serves NKU students and NKU community• Proctored Testing – Serves NKU students and NKU community• Coordinate all Credit for Prior Learning options at NKU – Serves NKU students, current and future

Vice Provost for Undergraduate Academic Affairs

Curriculum & Assessment Units

Support Unit	Current Services
Curriculum	<ul style="list-style-type: none">• New program development• Program creation, revision, deletion processes• University Curriculum Committee• General Education Committee – policy development, program implementation, monitoring compliance• Processes related to curriculum, such as placement and
Assessment	<ul style="list-style-type: none">• Academic program assessment• Program Review• Programmatic assessment and program effectiveness for support programs• General Education assessment
Accreditation	<ul style="list-style-type: none">• Liaison for external academic matters that involve the Kentucky Council on Postsecondary Education (CPE), Southern Association of Colleges and Schools – Commission on Colleges (SACS-COC), and the U.S. Department of Education.• Quality Enhancement Plan (QEP)

First Year Programs – *University 101*

Metrics & Evaluation

- Programmatic
 - Number of courses offered
 - Number of students served
 - Overall GPA and retention rate of participants compared to non-participants
- Student Learning
 - Selected questions on National Survey for Student Engagement
 - Examined your own views on a topic or issue (81% participants vs. 61% non participants)
 - Imagining how an issue looks from another perspective (91% vs. 62%)
 - Learned something that changed the way you understand an issue (81% vs. 61%)
 - To what extent did coursework emphasize forming a new idea from various information sources (86% vs. 68%)
 - To what extent did course work emphasize evaluating point of view (89% vs. 71%)

First Year Programs – *Book Connection*

Metrics & Evaluation

- Metrics:

- Student participation in writing assignment (instituted in 2015 with over 1,400 incoming freshmen completing the assignment)
- Percentage of the book read before attending the author conversation in late October/early November

Year	Title	None	25%	50%	75%	100%	75% or 100%
2011	Kabuki	12.84%	27.52%	16.82%	18.35%	25.99%	44.34%
2012	Other Wes Moore	7.14%	10.95%	11.42%	13.33%	57.14%	70.47%
2013	Where Am I Wearing	10.93%	20.21%	17.73%	23.51%	28.00%	51.51%
2014	How Does It Feel to be a Problem	8.51%	16.94%	15.58%	28.08%	31.34%	59.42%
2015	Wine to Water	7.10%	9.17%	13.02%	14.79%	56.80%	71.59%

First Year Programs – *Alpha*

Lambda Delta

Metrics & Evaluation

- Alpha Lambda Delta is a national freshman honorary for first year students who are in the top 20% of their class and have a minimum 3.5 GPA.
- Metrics:
 - Percentage of students invited who accepted invitation to be inducted

Year	% of students invited who accepted
2016	37.96%
2015	27.80%
2014	31.32%
2013	34.17%
2012	25.45%

- Retention Rates for ALD members

Total 2011-2014	Grand Total	2 nd Fall Retention	3 rd Fall Retention	4 th Fall Retention
Turned Down ALD	1028	88.8%	82.0%	76.6%
ALD Total 2011-2014	431	96.1%	87.1%	82.1%

First Year Programs – *Learning Communities*

Metrics & Evaluation

- Learning Communities are built in collaboration with academic departments to link two or three courses together providing an opportunity for students to develop community in the classroom, create study groups and feeling more comfortable in class helping to facilitate participation in the classroom.
- Metrics:
 - One Year Retention Rates for Students in a Learning

Year	1 year retention
2014	76%
2013	69%
2012	76%
2011	65%
2010	80%

First Year Programs

Future Considerations

- **Expand Learning Communities (LC), which are considered a High Impact Practice, so the majority of students participate**
- Develop strategic LC linkages of courses – general education and/or major related courses – to provide opportunities to introduce students to transdisciplinary teaching and learning
- **Revise UNV101 curriculum and processes to make it a required general education course for all incoming first-year students**
- Develop specialized UNV101 sections for special populations (PACE, Pathfinders, online, international)
- **Continuation of the Book Connection** – potential for selection as the text that provides the themes and context for the transdisciplinary teaching and learning that occurs in learning communities, and the undergraduate research that occurs as part of the freshman seminar, all culminating in a celebration event where student research is displayed, recognized and honored

Honors

Metrics & Evaluation

- Programmatic

- Number of courses offered
- Fall enrollment in HNR101
- Attempted credit hours in honors
- Enrollment in HNR 491-Interdisciplinary Capstone
- Total Honors graduates/year
- Overall GPA and retention rate of participants compared to similarly qualified non-participants
- Graduation rate of participants

	2014-2015	2015-2016
Fall enrollment in HNR 101	190	195
Attempted credit hours	1,581	1,766
Fall/spring enrollment in HNR 491	94	120
Total Honors Grads/Year	59	71

Honors

Metrics & Evaluation

- Student Learning
 - Assessment of each of the courses in the curriculum
 - Assessment of student performance related to pillars of learning
 - Student learning derived from participation in co-curricular activities
 - Student participation in leadership and service activities

Honors

Future Considerations

- **Conversion into Honors College: hiring new director and new organizational structure**
- Revised admission requirements: recruitment plan to increase diversity of students
- **Curriculum development to enhance first year experience, meet general education requirements, focus on global awareness and issues of community and citizenship, increase undergraduate research and creativity**
- Need for enhanced assessment of student learning
- Results of pilot course for capstone development to be assessed as new capstone model

Learning PLUS

Metrics & Evaluation

Tutoring Usage (Math Center, Writing Center, Academic Tutoring)

- 2014-2015: 1998 students, 7,777 visits, 5,453 hours
- 2015-2016: 2110 students, 8,694 visits, 6,208 hours

First Visit and End of Semester Tutoring Surveys

- 91% of students rated overall tutoring experience as excellent or good
- 95% of students indicated they will return for tutoring after first visit

Comparison of D/F/W Rates in Supplemental Instruction Classes

- For Fall 2015 classes, D/F/W rate for SI participants was 25% compared to a D/F/W rate for non-SI participants of 47% for classes offering SI

Learning PLUS

Metrics & Evaluation

Faculty FTE in Undergraduate Preparation (Developmental)

- Projection for 2016-2017: 12 FTE (fulltime), 4.4 FTE (part-time)

Assessment of SLOs in Developmental and Co-requisite Courses

- 85% of the time the developmental literacy SLO is met and 67% of the time the developmental mathematics SLO is met

Grades in Courses After Developmental and Co-requisite Courses

- With the exception of STA 205 in Spring 2016, there was no significant difference in pass rates in their first college level course for students who completed a developmental literacy or mathematics class and students who placed directly into a college level class. This is the ideal scenario.
- There was no significant difference in pass rates for students in co-requisite courses and students who placed into the college level courses. This is the ideal scenario.

Learning PLUS

Metrics & Evaluation

Headcount and Enrollments of School-Based Scholars

- Fall 2014: Headcount 972 students, Enrollment 1,199 courses
- Fall 2015: Headcount 1,027 students, Enrollment 1,420 courses

Percent of SBS Students Enrolling at NKU

- 30.9% of Fall 2014 SBS cohort enrolled at NKU in Fall 2015 compared to 29.3% from the previous cohort Number of Students in Pathway Programs at the Community College
- For GCTC: 368 students in the pipeline at GCTC, 67 have transferred to NKU – program has been in place for 2 years

Retention of Students Who Enter NKU Through a Pathway Program

- For GCTC: Of 67 students who transferred to NKU, 59 are still enrolled (88% retention rate)

Learning PLUS

Future Considerations

- **Need for simultaneously increasing student support and on campus student employment by serving unmet demand for additional SI classes and one-on-one tutoring**
- **Need to increase STEM tutoring and tutor training**
- **Need to increase the number of pathways with additional support for coordinating the programs so students can fully utilize the benefits of the program and transition smoothly into NKU**
- **Opportunity to grow the SBS program with support from the academic departments to hire and train faculty to teach in the high schools**

Norse Advising – *Advising & Pathfinders*

Metrics & Evaluation

- **Outputs:**

- Number of students served in each component of the program
- Students served per advisor
- Increased interaction with advisors
 - Expansion of the Peer Coach program resulted in a six-fold increase in interactions between advisees and peers – from 431 in 2014-15 to 1,031 in 2015-16.

- **Outcomes:**

- Retention rate of participants
 - The percentage of University Studies students who persisted from first fall to second fall increased 4.5% from 57% to 61.5% (as of the end of the fiscal year).
 - The Pathfinder fall-to-fall retention rate increased 4% from 49% to 53% (as of the end of the fiscal year), a new high for the three years of the program.

Norse Advising – *Advising & Pathfinders*

Metrics & Evaluation

- **Outcomes:**

- Academic standing of participants

- The percentage of Pathfinders in good academic standing after the first semester increased 10% from 66% to 76% for the Fall 2015 cohort.
- The percentage of Pathfinders on academic warning after their first semester decreased 7% from 27% to 20% for the Fall 2015 cohort.
- The percentage of Pathfinders who completed all study table requirements and compiled a GPA of 3.0 or higher in their first semester increased for the third straight year – from 40% for the Fall 2013 cohort to 48% for the Fall 2014 cohort to 60% for the Fall 2015 cohort.

- Selected questions on student satisfaction surveys

- 96% of students who met with an advisor in a scheduled appointment expressed satisfaction with the experience in Fall 2015, 97.7% in Spring 2017.
- 96% of students who met with an advisor on a walk-in basis expressed satisfaction with the outcome in Fall 2015, 94.9% in Spring 2016.

Norse Advising – *Master Advisor Training*

Metrics & Evaluation

- Outputs:
 - Number of sessions offered per year
 - Total number of hours of training
- Outcomes:
 - Number of faculty attending Master Advisor events
 - More than 100 faculty and staff attended at least one Master Advisor event in 2015-16
 - At least 20 faculty and staff attained Master Advisor status in 2015-16

Norse Advising

Future Considerations

- New software (EAB) will enable students to schedule an appointment with an advisor 24/7 and will simplify and systematize the career exploration options for students and enhance the selection of major process for undeclared/undecided students
- **Need for competitive compensation of advisors and opportunities for advancement/promotion**
- Build-out of block scheduling – aka *meta majors* – will better position Pathfinder and undeclared students for success in their first year
- Paired courses and learning communities with student success modules incorporated in Pathfinder study table program has the potential to speed completion of developmental course work and aid retention
- **Creation of an instrument to assess advising campus-wide will improve consistency in advising and facilitate standardization of key best practices**

PACE

Metrics & Evaluation

- Programmatic
 - Total number of courses offered
 - Total number of students served
 - Students served per advisor
 - Overall GPA and retention rate of participants
 - Graduation rate of participants
 - Student satisfaction with program services
- Student Learning
 - Assessment of student performance related to program outcomes

PACE

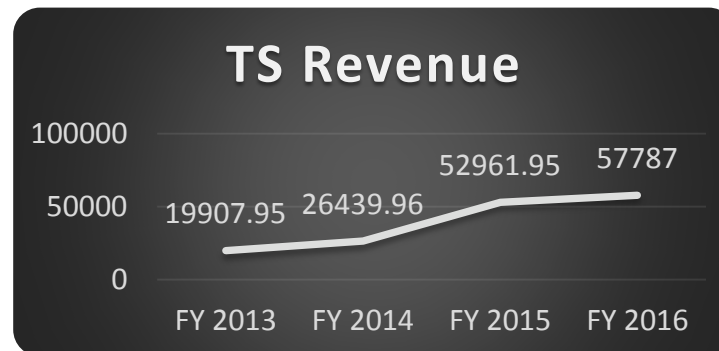
Future Considerations

- Impact of move to UAA
- **Increased demand for adult learning opportunities, alternate modes of course delivery, and credit granting options**
- Increased demand for corporate partnerships

Testing Services

Metrics & Evaluation

- Outputs:
 - Number of students served per year
 - Total number of tests proctored
- Outcomes:
 - Level of satisfaction on customer service survey
 - Increase in revenue: Testing Services revenue had a 9% increase in FY 2016



Testing Services

Metrics & Evaluation

- Outcomes:
 - Increase number of exams offered in partnerships with Departments
 - Accommodated Exams partnering with all faculty
 - Major Field Tests (MFT) exams partnered with the Biology and Math Departments
 - Credit for Prior Learning Examinations
 - Increase in services offered
 - Credit for Prior Learning options at NKU
 - Explore other exams Testing Services can provide

Testing Services

Metrics & Evaluation

- Increase percentage of NKU examinees & non-NKU examinees
 - Testing Services had an overall increase of 13% in testing numbers from FY 2015 to FY 2016. Testing Services administered a total of 5669 exams. This figure averages to 472 exams per month. The overall testing numbers of non-NKU students has increased 14%. Testing Services served 1431 non-NKU students in FY 2016.



Testing Services

Metrics & Evaluation

- Raise awareness of Testing Services
 - Testing Services has a continuous goal to increase social media presence, which would thus increase visibility and name recognition across the NKU campus and community.



Testing Services

Future Considerations

- Testing Services' newly renovated testing space will allow the ability increase the offering of all exams, even when accommodated testing is at its peak. In the past, Testing Services had to close down all revenue-generating exams to provide enough space for accommodated exams during peak times, like finals week.
- **Changes in placement testing will stretch resources beyond current limit.**
- Increased demand for credit for prior learning will require closer collaboration with departments and programs.

Curriculum, Assessment and Accreditation Metrics & Evaluation

- Number of new programs processed
- Number of academic policies reviewed, revised, and/or developed
- Timeliness of program approval processes
- Timeliness of program review processes
- Scope and range of data available for decision-making

Curriculum, Assessment and Accreditation

Future Considerations

- Increased demand for new programs, especially stackable certificates
- **Need to bring all assessment of student learning and program effectiveness up to SACSCOC standards**
- Increased demand for data-driven decisions related to retention and student success
- **Need for improvement of General Education assessment** – *Multi-State Collaborative project*
- New curriculum software (Curriculog)
- **SACSCOC Accreditation visit in 2019**

Office of Graduate Education

August 31, 2016



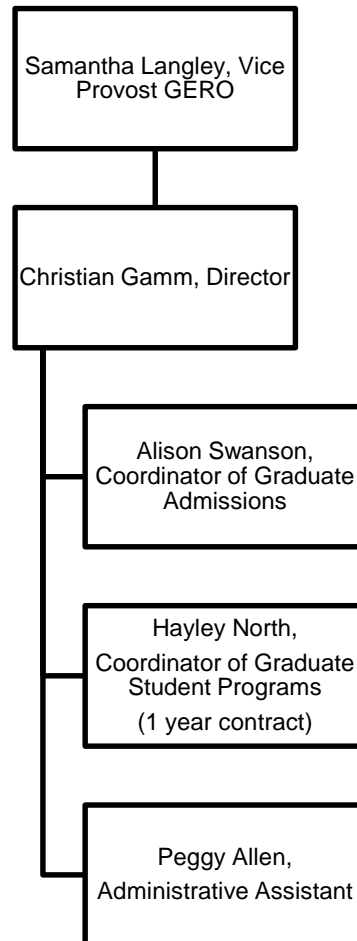
Office of Graduate Education

Overview

- The mission of the Office of Graduate Education is to **advance and support high-quality graduate education**. This is accomplished by encouraging and supporting the development and delivery of outstanding graduate programs, as well as contributing to the **recruitment, admission, and retention** of well-prepared and successful graduate students. The Office of Graduate Education also contributes to the **development and fair enforcement of policies** related to graduate students and graduate programs.

Office of Graduate Education

Overview



Office of Graduate Education

Services Provided

Current Services

Graduate
Recruitment/
Prospective
Students

Graduate Application & Credentials processing (1924 applications/10,000 credentials)

Initial inquiry contacts (2500)

Creation & dissemination of marketing materials and advertisements

Graduate Recruitment events (50+)

College career fairs

Tri-state job fairs

Open houses

Sponsorships

Presentations

Office of Graduate Education

Services Provided

Current Services

Current
Students

Main communication vehicle to students

Policies

Graduate Catalog production

Transfer credit/change of program

Progression and probation monitoring (100 students/academic year)

Thesis/Dissertation approval (19 AY 15-16)

Graduation processing/approval (532 students AY 15-16)

Retention Efforts

New Student Orientation (Fall & Spring – 200 students)

Enrollment campaigns – email/phone/mailed materials

Professional Development

NEW Professional Development Series (6 workshops)

Support for Graduate Student Association



Office of Graduate Education

Services Provided

Current Services

NKU
Faculty,
Staff,
Administration
Support

Graduate Assistant Hiring/Processing (40 per semester)

Training of Graduate Program Directors (8-10 new per year)

Administrative Support for Graduate Council (at least 20 meetings/yr, including curriculum and exec)

Data production and dissemination

Policy application/interpretation/variance process

Assist with curriculum and new program development

Strategic Planning for Graduate Education



Office of Graduate Education

Potential Metrics & Evaluation

Data Collection

- # Applicants/Admitted students*
- # Recruitment visits
- Retention of continuing students*

Surveys/Feedback

- Student satisfaction with professional development series
- Program director satisfaction survey
- Event evaluations (orientation, open houses, etc.)

Timeliness

- Response rate to inquiries
- Timeliness in addressing student issues

** Metrics are in collaboration with academic departments and not the sole responsibility of graduate education.*

Office of Graduate Education

Future Considerations

- Is the current graduate program portfolio aligned with regional needs?
- Concern regarding continued funding of contract position – Coordinator of Graduate Student Programs. Services to current students will be eliminated without this position.
- Marketing Concern - Rising need to compete for prospective students in the digital space and costs associated with it. Operating cut \$20,000 during last round of budget cuts.
- Inquiries and applications are up, staffing is down.
 - Opportunity to collaborate to address admission processing efficiencies

Center for Global Engagement and International Affairs

August 31, 2016

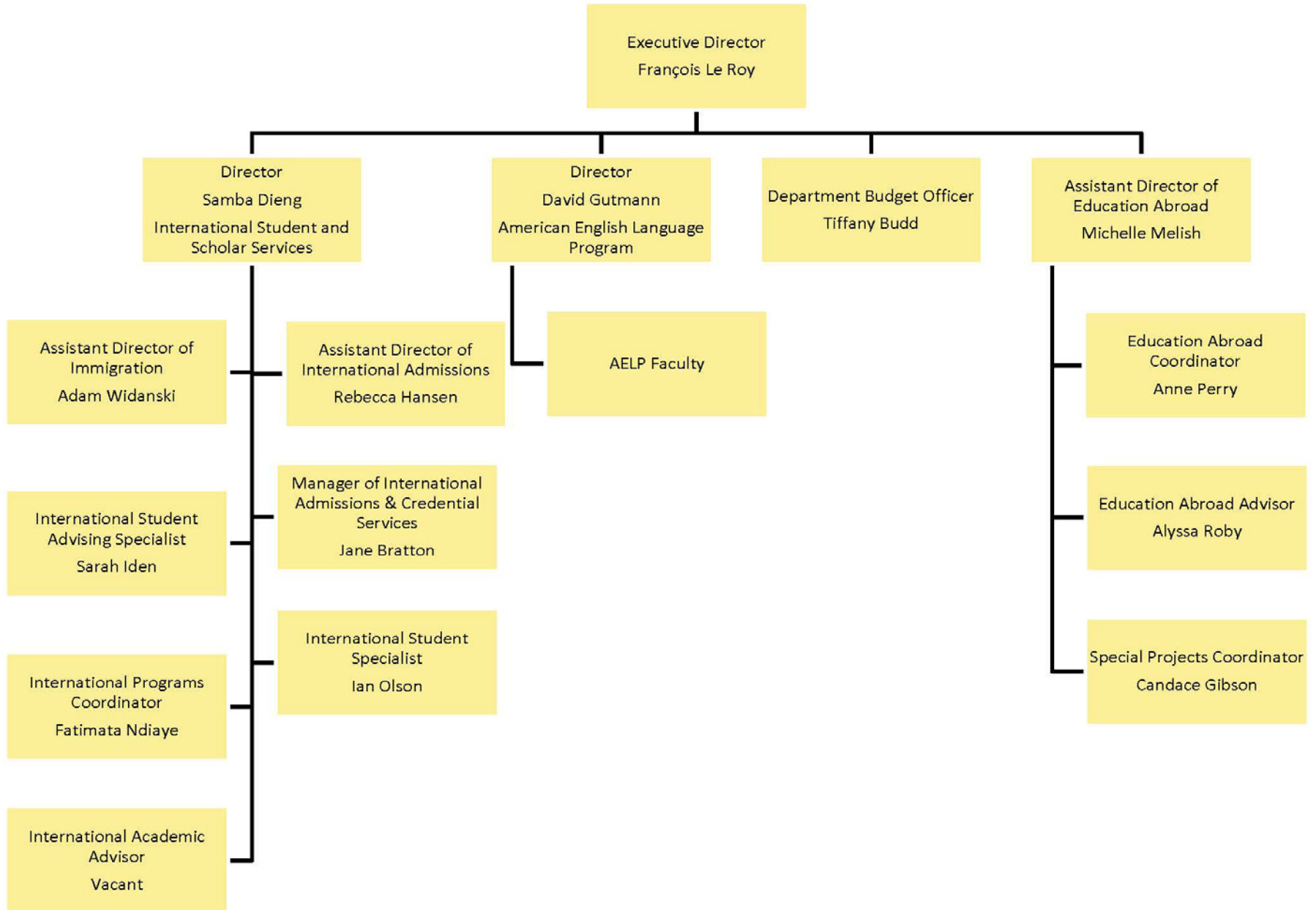


Center for Global Engagement & International Affairs

Unit Overview

The mission of the unit is to lead and coordinate initiatives that promote the comprehensive internationalization of the University for the benefit of student success and the advancement of inclusive excellence and diversity. It aims to develop and promote global perspectives through engagement in the international arena and to become a regional resource for global initiatives.

Center for Global Engagement and International Affairs – Employee Organizational Chart (August 2016)



Center for Global Engagement & International Affairs

Service Provided

Support Unit	Current Services
Center for Global Engagement and International Affairs	<ul style="list-style-type: none"> • Develop and facilitate the implementation of the University's strategy for internationalization • Coordinate international activities with all colleges, departments and units on campus • Support the international engagement of students, faculty and staff • Advance internationalization in the community
Office of Education Abroad	<ul style="list-style-type: none"> • Manage all outbound Education Abroad programs • Coordinate Study Away programs • Manage relations with all international partner institutions • Host incoming exchange students • Assess and manage risks for Education Abroad programs
International Student & Scholar Services	<ul style="list-style-type: none"> • Develop and execute the international student recruitment strategy • Issue immigration documents to international students and scholars • Ensure compliance with federal immigration rules and regulations • Evaluate foreign academic credentials • Admit international undergraduate, transfer and AELP students • Develop and run intercultural programs for all students, faculty and staff
American English Language Program	<ul style="list-style-type: none"> • Provide English language instruction to students who do not meet language proficiency requirements for admission into U.S. universities • Help prepare international students for academic success

Center for Global Engagement & International Affairs

Metrics & Evaluation

- Number of international students recruited per year
- International student enrollment
- AELP enrollment
- Number of NKU students participating in Education Abroad programs per AY
- Number of faculty and staff engaged in Education Abroad and Study Away programs per AY

Center for Global Engagement & International Affairs

Future Considerations

- Increasing the international visibility of NKU and increasing global awareness at NKU
- Stabilizing international efforts and building on recent successes through institutional support:
 - International student enrollment: Funds needed for international students scholarships, international recruitment and agent fees
 - Education Abroad: Funds needed to increase the number of students participating in these transformational experiences
 - Faculty international travel: Funds needed to support the global engagement of NKU faculty
- Declining enrollment in the American English Language Program threatens initiatives, programs and positions so far funded by revenue

Outreach & Engagement

Office of Graduate Education, Research & Outreach

August 31, 2016



**Vice Provost for Graduate Education,
Research and Outreach**

Samantha Langley-Turnbaugh

Executive Assistant

Kimberly Wiley

**Center for
Environmental Restoration**

Director
Scott Fennell

Compliance/Project Manager
Garrett Blessing

Stream Restoration
Project Manager
Vacant

Field Manager
Mark Leopold

Stream Restoration
Specialist
Vacant

Admim Asst
Kim Tromm

**Community
Connections**

Director
Melinda Spong

Coordinator
Melanie Hartzel

**Scripps Howard
Center for Civic
Engagement**

Executive Director
Mark Neikirk

Coordinator
Collette Thompson

Administrative
Secretary
Sarah Averitt

**Kentucky Campus
Compact**

Executive Director
Gayle Hilleke

Specialsit
Darlene Ryan

Director
AmeriCorps/Student
Programs
Kristen Hedgebeth

VISTA

Kentucky College Coaches

InnerView

GERO office

Program	
Graduate program development	<ul style="list-style-type: none">• Work with interdisciplinary groups of faculty on developing new transdisciplinary degree programs• External focus groups• Conferences
Infrastructure	<ul style="list-style-type: none">• Develop policies and processes as necessary – Reviewing Centers and Institutes, Cohort agreements, IP, etc.• Facilitate and administer NKURF• Research Council• other advisory boards as necessary• Ecological Stewardship Institute
Community building	<ul style="list-style-type: none">• Faculty Fridays• Faculty expertise directory• Heroin programming

Scripps Howard Center

Classes

Program	
Student philanthropy	<ul style="list-style-type: none"> 15 to 20 classes per academic year across disciplines that incorporate a philanthropy component into the courses (and aligned with learning outcomes). Grant supported @ \$2,000 per class. Students served: 400/yr
505	<ul style="list-style-type: none"> Project Hope: The 505 Initiative is a place-based concentration of academic community engagement (service learning, research, practicum placement, etc.). This is in Newport's West Side neighborhood and has involved over 100 classes in the past four years. Students served: 180
Service learning	<ul style="list-style-type: none"> Ongoing support for service learning, including matchmaking, financial support, workshops, publication in academic journals, and presentations at academic conferences. Faculty served: 80 direct
New York Times	<ul style="list-style-type: none"> Classroom access to the New York Times (as well as USA Today and the Associated Press) for students and faculty through NKU's Newspaper Readership Program. Students served: 175
Special topics	<ul style="list-style-type: none"> 2016: Great Divide; heroin & addiction; the Year of Water Community members served: >2000

Scripps Howard Center

Citizenship

Program	
All in Democracy	<ul style="list-style-type: none">A new umbrella for our portfolio of voter education and voter registration initiatives, including I Count Because I Vote, Constitution Day, and voter registration tables. An advisory board is being set up to plan and guide these activities.
Democracy Square Live	<ul style="list-style-type: none">These are small group discussions with students on public affairs topics. About 12-20 per academic year. Faculty facilitate these discussions. Students served: 400
Speakers & films	<ul style="list-style-type: none">New York Times journalists; economists; public officials; public affairs experts; etc. Also, films on public affairs, e.g., KET documentary on the history of women Kentucky public affairs. Audience: Typically 100/event

Scripps Howard Center

External

Support Unit	Current Services
Six@Six Lecture Series	<ul style="list-style-type: none"> • Six community lectures at community venues to showcase research by NKU students and faculty – plus one bonus lecture by AP national journalist. Annual audience: >600
NKY Forum	<ul style="list-style-type: none"> • 10-12 town hall sessions in Boone, Kenton, and Campbell counties to learn about and discuss public affairs. Partners: Skyward and Legacy. Annual audience: 800 + WVXU radio audience
Engage@NKU	<ul style="list-style-type: none"> • Workshops, a newsletter, and other outreach to help nonprofits navigate NKU and form academic community engagement partnerships. Annual audience: 200
Gov't Study Group	<ul style="list-style-type: none"> • Research and support for reconfiguration of local government in Kenton County, including publication of the book, <i>Kenton County Together: A Call to Action</i>. Audience: 600 books distributed by request
Art Museum Symposium	<ul style="list-style-type: none"> • NKU faculty and students present with other topical experts at an annual academic-style symposium at the Cincinnati Art Museum. Audience: 200

Community Connections

Service Provided

Support Unit	Current Services
Continuing Education	<p>Non-credit courses, workshops and camps</p> <ul style="list-style-type: none">• Life-long learning programs include test preparation, world languages, youth workshops and summer camps, professional workforce training, business certificates and completion of CEUs <p>FY 2015-2016, >300 students</p>

Community Connections

Service Provided

Support Unit	Current Services
P-12 Outreach	<ul style="list-style-type: none">• Engage the northern Kentucky and Greater Cincinnati region through <u>group campus visits</u>, <u>performing arts</u> and <u>STEM activities</u> and by participation of CC staff in elementary and middle school <u>college fairs</u>• During the 2015-2016 school year over 10,000 area elementary and middle school students were introduced to NKU and college life through our programs: NorseExplore group visits, Scout Days and ArtReach activities• These activities engaged students from 73 area elementary, middle and high schools• These activities engage over 35 NKU faculty and 40 NKU students

Community Connections

Service Provided

Support Unit	Current Services
Event Support Services	<p>Event management support for other departments' community engagement programs, FY 2015-16:</p> <ul style="list-style-type: none">• 11 Campus Client Units: CINSAM; Planetarium; Biological Sciences; PACE; Architecture, Design and Construction Management; Communication; NKY Center for Educator Excellence; SHCCE; KY Campus Compact; Office of the Provost; and Library Science• Total of 64 events (workshops, courses, conferences, camps) with 1838 registrants; this includes MGGI & Celebration• Managed 1401 reservations for Planetarium shows

Community Connections

Service Provided

Support Unit	Current Services
CEEL	<p>Establish and lead the Community Engagement and Experiential Learning clearinghouse in collaboration with SHCEE.</p> <ul style="list-style-type: none">• Interactive website for effective messaging with features to allow community members to share partnership ideas• An infrastructure to communicate opportunities to faculty and follow-up on fulfillment• Tracking and reporting of community engagement to share what the university is doing, with whom, and to what effect

Center for Environmental Restoration

Service Provided

Category	Current Services
In-Lieu Fee Program	<ul style="list-style-type: none">• Facilitates regional environmental health by restoring streams and wetlands impacted by community development• Perpetual monitoring of project sites to ensure health of aquatic resources

Kentucky Campus Compact

Service Provided

Support Unit	Current Services
Kentucky College Coaches AmeriCorps program	<ul style="list-style-type: none"> • 57 coaches mentor over 3,000 high school students annually <p><i>Two models</i></p> <ol style="list-style-type: none"> 1. Coaches serve in one school and each coach mentors 50-80 high school students on topics such as what classes to take, how to decide on postsecondary education, how to get dual credit. 2. Coaches serve in several schools and mentor 10-20 high school students in each school.
Professional development for faculty	<ul style="list-style-type: none"> • to increase their use of high impact practices such as learning communities, internships, service learning, community based research, and capstones. <ol style="list-style-type: none"> 1. Webinars, learning communities, collective assessments 2. Co-host the Kentucky Experiential / Civic Engagement Conference in March 2017.

Kentucky Campus Compact

Service Provided

Support Unit	Current Services
Community Impact	<ul style="list-style-type: none">• Co-chair the Greater Cincinnati Service Learning Network (GCSLN) Higher Education Committee. Goal: Increase the quantity and quality of service learning in the region.• Kentucky Network for Public Life: increasing public dialogue and deliberation.
Capacity Building for Civic Engagement	<ul style="list-style-type: none">• Monthly newsletter with local, regional, state, and national opportunities such as conferences, job openings, awards for students.• Access to national Campus Compact activities such as the Civic Action Planning Institutes in Fall 2016.

Scripps Howard Center

Metrics & Evaluation

Metric	Program
# of participants/attendees	Service learning, newspaper readership program, Mayerson student philanthropy, Art museum symposium, NKY Forum, 6 @ 6 lectures
# of new classes/yr	Service learning, Mayerson student philanthropy
Surveys	Mayerson, 6@6, service learning
Amount of external funding awarded	Mayerson student philanthropy
% pick up	Newspaper readership program
# of events/yr	NKY Forums, Public intellectual events, speakers/films
# of students added to voter registration roles	All in Democracy

Community Connections

Metrics & Evaluation

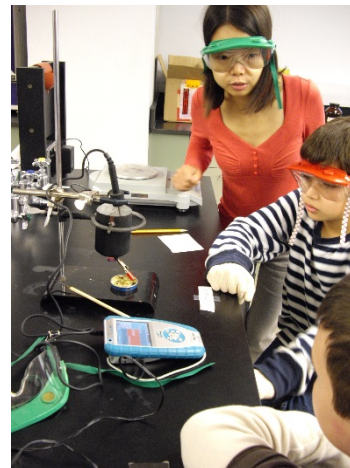


CONTINUING EDUCATION

- Number of noncredit courses offered
 - Number of students registered
 - % of noncredit courses that run
- Net revenue

ELEMENTARY & SECONDARY OUTREACH

- Participant counts
 - P-12 students
 - Schools
 - NKU faculty/staff
 - NKU students



Community Connections

Metrics & Evaluation

CEEL

- Amount of data collected on CE & EL projects
- Number of partners utilizing the CEEL online clearinghouse
 - Faculty
 - Staff
 - Students
 - Community partners
- Assessment of data
- Communicating findings to university affiliates and community partners

Community Connections

Metrics & Evaluation

EVENT SUPPORT SERVICES

- Number of NKU units served
- Number of events
- Number of registrations processed
- Net revenue for CC



Center for Environmental Restoration

Metrics & Evaluation

- **Number of Students and Hours Employed per Year**
 - Number of Students FY14, FY15, FY16 (new only): 11, 9, 12
 - Hours Employed FY14, FY15, FY16: 7185, 7869, 6771
- **Total Value of Restoration Projects per Year**
 - Gross Project Revenue FY14, FY15, FY16: \$1.5M, \$1.2M, \$1.3M
- **Project Revenue \geq CER Operating Costs**
 - CER Net Position FY16: \$200,000

Kentucky Campus Compact

Metrics & Evaluation

- Number of high school students mentored (10,534 from 2011-16)
- % that graduated (22%)
- % that went to college
- Number of faculty participating in webinars and workshops

New in 2016-17

- Number of college students serving in AmeriCorps (372 from 2011-16), the retention rate from year to year, the graduation rate
- Service learning student & community partner survey
- Effectiveness of high impact practices on college student retention and graduation

GERO

Future Considerations

- Improve tracking and assessment in all outreach areas – this requires a substantial investment in technology and personnel.
- Adequate funding to support the URI, and undergraduate student experiential learning
- Build and support the online portal for community engagement (CEEL) – necessary but difficult with small staff and increasing university demands. FY 2016-2017 combines reduction of resources (1 full-time and 1 part-time position cut) and operating costs.
- Changes in state legislation are prompting CER to rethink our business model to remain competitive in the northern Kentucky region
- Currently engaged in conversations about what type and location of space works best for our vision, will increase efficiencies and provide better student experience

Break

August 31, 2016



UNIT EDUCATIONAL PRESENTATIONS: STEELY LIBRARY/CITE/GRANT COUNTY CENTER

August 31, 2016

Arne J. Almquist, Ph.D.

Associate Provost for Learning Sciences &
Technologies

Dean of the Library

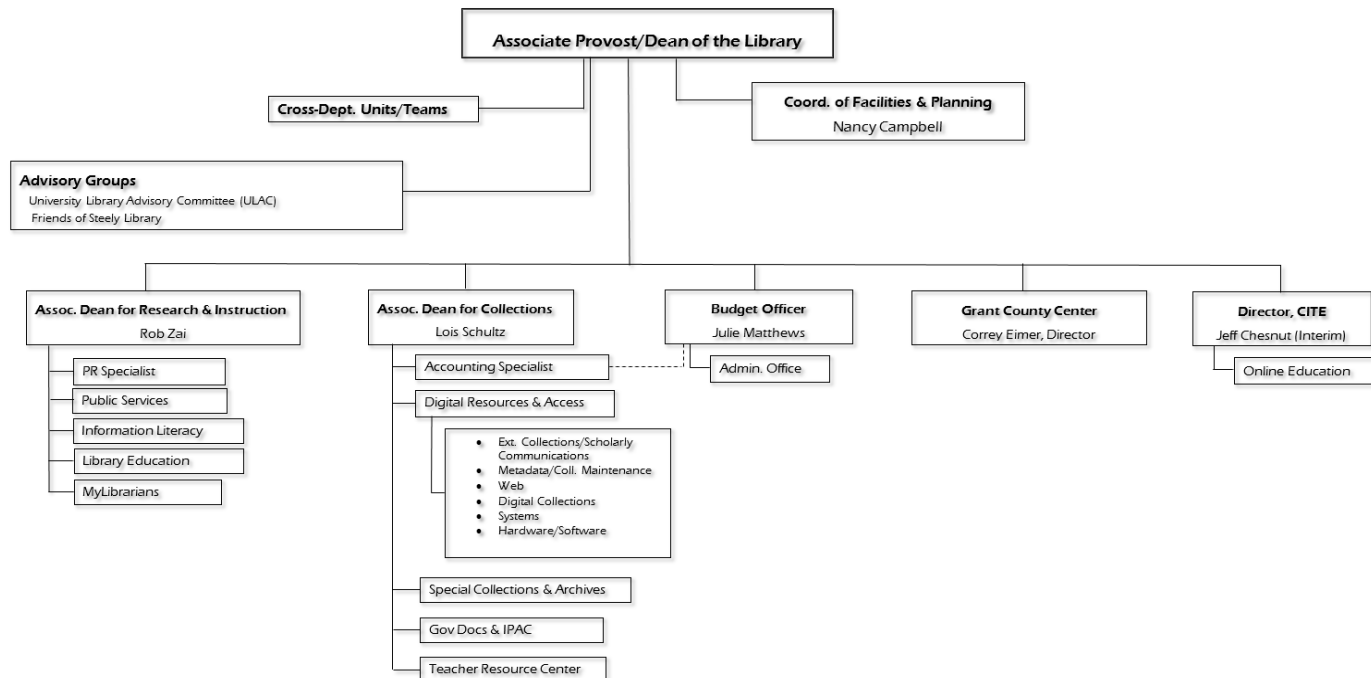


LIBRARY SERVICES

↑ Steely



MATCHING FORM TO FUNCTION



AT THE CENTER: INFORMATION LITERACY

“From being in this class for a few short weeks I already feel so much more confident when doing research and how to judge if the information I'm receiving is reliable and good to use for a paper.”

“I am very glad I am able to learn this information because I was not aware a lot of this even existed. Way to find out in my last year right?! Better late than never....I look forward to using these tools in the future.”

“I recently had a student stop by my office that took the course last fall. She said that she went back to her advisor after she completed the class and told them to ‘circle that class and recommend it to everyone they advise because it was VERY helpful and EVERY freshman needs it.’”

COLLECTIONS: STRONG, BUT AT RISK

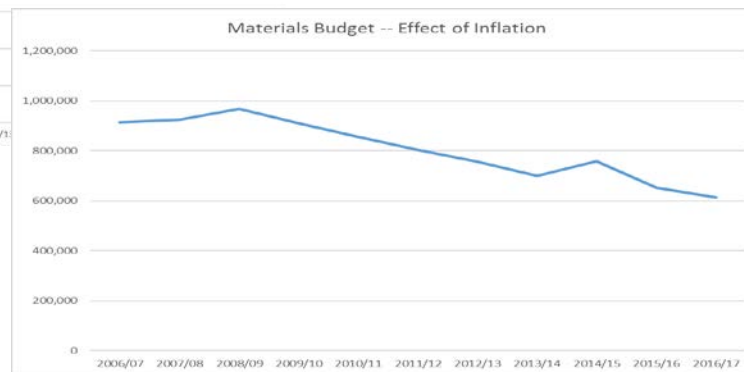
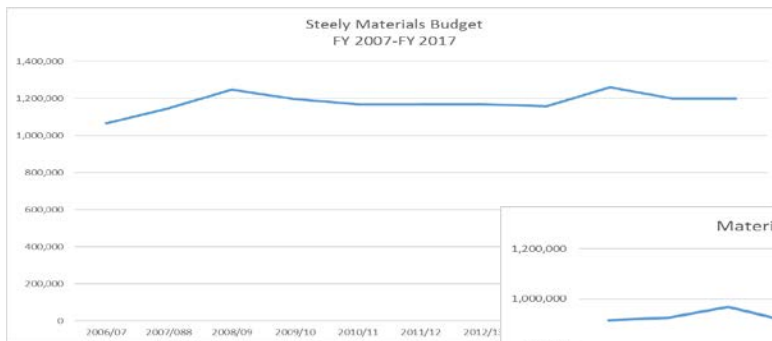
Journal subscriptions in 2007: **1,500**

Journal subscriptions in 2016: circa **4,500**

Access to current journal content: **45,000+ journal titles**

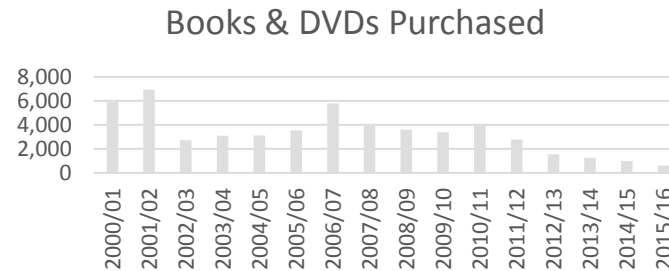
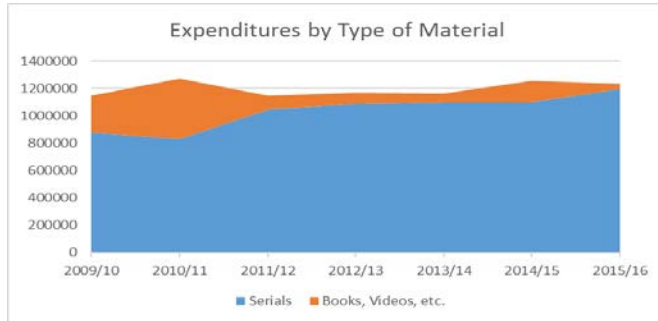
Complete subscribers to JSTOR

COLLECTIONS: STRONG, BUT AT RISK




MATERIALS BUDGET

FLAT=DECREASE



MYLIBRARIAN: PERSONAL SERVICE



STEELY LIBRARY

- Find Books & More
- Research Help
- Services
- About the Library
- Faculty & Staff
- Students
- Visitors
- Library Career Development
- Give to Steely Library
- Special Collections & Archives
- Friends of Steely Library
- Ask Steely Library!
- Email Questions
- Librarian Open Office Hours
- myLIBRARIAN
- myLIBRARIAN


NKU
 Steely Library

myLIBRARIAN

<ul style="list-style-type: none"> • First Year Experience Librarian • Accounting • Anthropology • Art • Astronomy • Athletic Training • Biological Sciences • Black Studies • Business • Business Informatics • Career Research • Chemistry • Communications • Computer Science • Construction Management • Counseling • Criminal Justice • Economics • Education • Electronic Media & Broadcasting 	<ul style="list-style-type: none"> • Engineering Technology • English • Entrepreneurship • Environmental Science • Finance • Geography • Geology • Health Education • Health Informatics • History • Human Resource Management • Journalism • Kinesiology • Leadership • Management • Marketing • Mathematics • Music • Nursing 	<ul style="list-style-type: none"> • Organizational Leadership • Patents, Trademarks, and Copyrights • Philosophy • Physical Education • Physics • Political Science • Popular Culture • Psychology • Public Administration • Public Relations • Radiological Technology • Religion • Respiratory Care • Social Work • Sociology • Sports Business • Theatre & Dance • Women's & Gender Studies • World Languages & Literatures
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Leslie Hammann

If you are a freshman, meet your First Year Experience Librarian, who will introduce you to Steely Library, its resources and services.



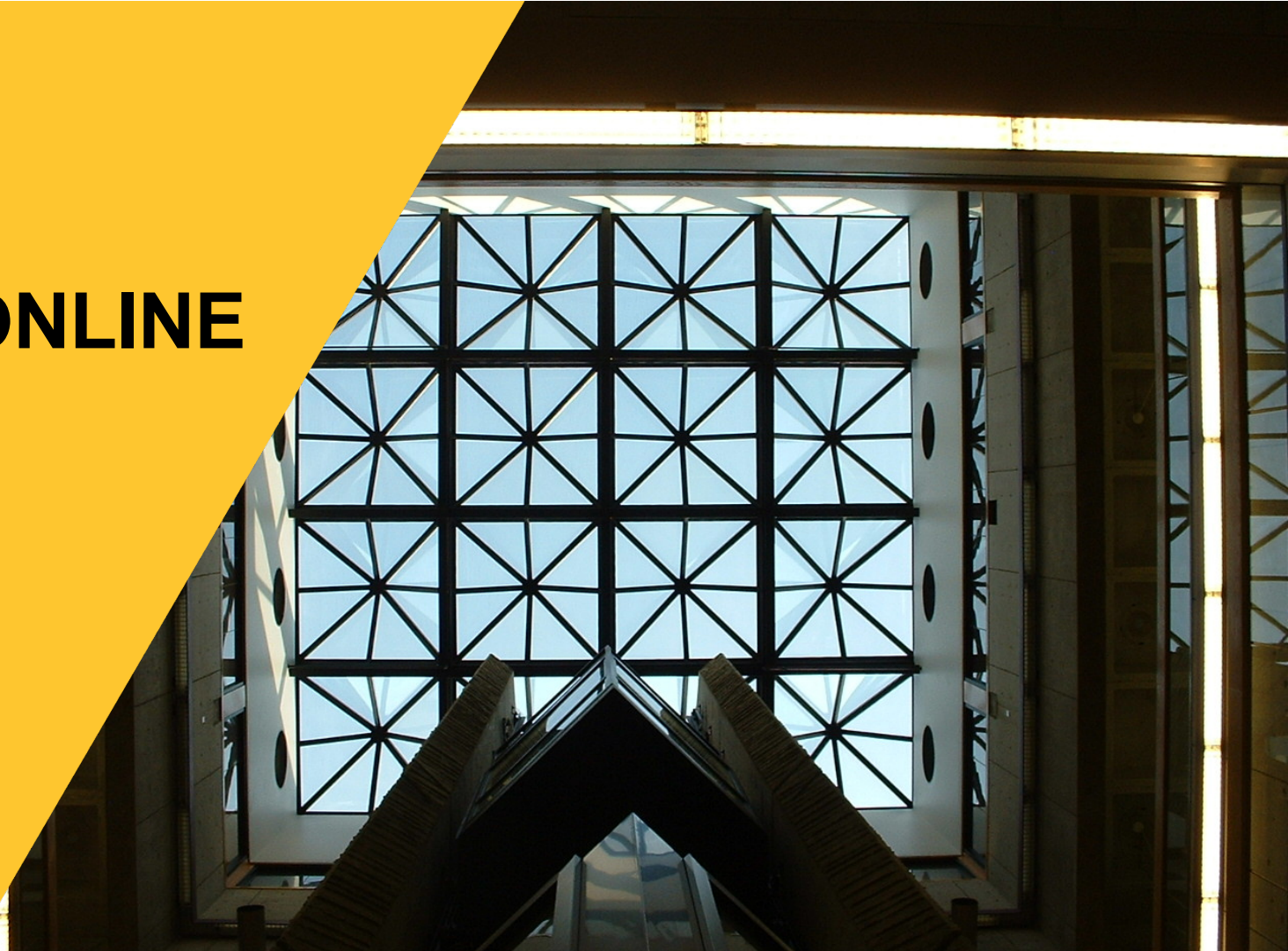
First Year Experience Librarian
 Leslie Hammann
 hammannl1@nku.edu
 859-572-6157

- [Book Connection Research Guide](#)
- [Current Events & Issues, New Research Guide](#)



myLibrarian is a service which provides students and faculty with wide-ranging assistance in the use of library and other information resources.

CITE / ONLINE



CITE/ONLINE

Service Highlights

- iPac Cart deliveries – 472
- Consultations
 - 1,677 face-to-face consultations
 - 1,409 e-mail and phone consultations
 - 1,745.5 consultation hours total (avg. 34 minutes per contact)
 - 94 development course shells created in Blackboard
 - 99 new organizations created in Blackboard

CITE/ONLINE

Service Highlights

- Supported 19 new course developments
- Enrollment (online majors only)
 - Fall 2015: 1,204
 - Spring 2016: 1,125
- Enrollment in all 100% online courses
 - Fall 2015: 9,145 (Fall 2014: 8,579)
 - Spring 2016: 9,901 (Spring 2015: 8,769)
- 162 attendees at group/individual informational in-person and phone meetings
- 1,493 phone inquiries handled during 2015-2016

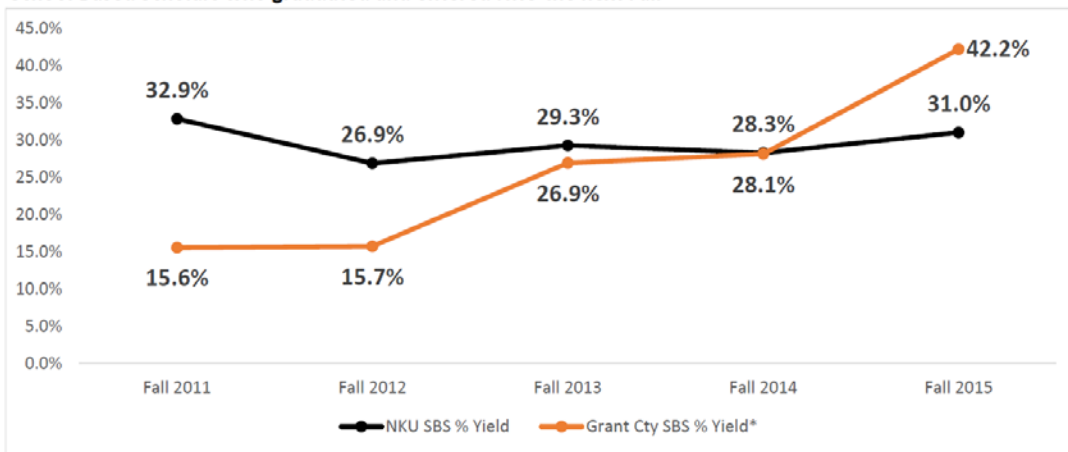
GRANT COUNTY CENTER

NORTHERN KENTUCKY UNIVERSITY
NKU GRANT COUNTY CENTER



GRANT COUNTY: NEW OPPORTUNITIES

School Based Scholars who graduated and entered NKU the next Fall



*These students enrolled at NKU and not necessarily at the Grant Cty site.

Sponsored Activities Office of Research, Grants, and Contracts

August 31, 2016



Research, Grants, and Contracts

Unit Overview

- The Office of Research, Grants and Contracts (RGC) is committed to supporting **research and scholarly activities** throughout the university community; to increasing **external support** for research, university programs and service activities while **maintaining compliance** with federal, state, local, and private sponsor requirements

Staff:

Director, Office of Research Grants and Contracts

Manager, Grant Development

Manager, Compliance

Sr. Grant Administrator

Grant Administrator 1

Administrative Specialist-Database

Research, Grants, and Contracts

Service Provided

Support Unit	Current Services
Grant Proposal Development and Submissions	<ul style="list-style-type: none">▪ Assist faculty to search for relevant research funding opportunities▪ Facilitate interdisciplinary research and programmatic grant opportunities▪ Ensure NKU institutional eligibility to submit proposals to all potential funding sources▪ Register/maintain NKU viability with all agencies' on-line submission portals▪ Prepare all grant proposal packages in partnership with faculty investigators▪ Submit all grant proposals to federal, state, local, nonprofit, and private sponsors
Grant Award Management	<ul style="list-style-type: none">▪ Review, approve, and execute all grant and contract awards to NKU▪ Negotiate new terms and conditions with sponsors (in partnership with faculty) when changes are required to original grant proposal.▪ Create and execute all legal documents to facilitate collaborations with other institutions▪ Provide to faculty pertinent information about sponsor policies and regulations on grant▪ Conduct one-on-one meetings with all faculty awardees and NKU Comptroller's office to review grant terms and assist faculty to manage award requirements.

Research, Grants, and Contracts

Service Provided

Support Unit	Current Services
Faculty Development	<ul style="list-style-type: none"> ▪ Facilitate faculty/staff one-on-one or small group proposal writing and funding search trainings and larger workshops * Faculty Incentives* ▪ Provide and maintain each faculty/staff trainings for <u>federally mandated</u> Financial Conflict of Interest, Human Subjects Protections, Animal Care, Biosafety, Conflict of Commitment(effort) ▪ Assist Faculty to comply with RCR training for students when federally mandated ▪ Faculty/staff “Seed” funding competitively awarded from RGC to gather preliminary data for large scale proposals* Faculty Travel Funds *
University Research Compliance Integrity	<ul style="list-style-type: none"> ▪ Ensures NKU University-Wide policies are up-to-date to remain in compliance with federally mandated <u>Research</u> laws and regulations: <ul style="list-style-type: none"> <u>Financial</u> Conflict of Interest for Research <u>Responsible Conduct of Research</u> <u>Human Subjects</u>: Institutional Review Board (200+ applications/yr) <u>Animal Care</u>: Institutional Animal Care and Use Committee <u>Hazardous Materials</u>: Institutional Biosafety Committee <p>Note: Compliance standards vary with federal funding agencies</p>



Research, Grants and Contracts

Service Provided

Support Unit	Current Services
Student Research Participation	<p>Compliance:</p> <ul style="list-style-type: none">▪ RGC ensures compliance with <u>federal regulations</u> pertaining to student research which includes Responsible Conduct of Research Trainings and Financial Conflict of Interest trainings▪ RGC facilitates <u>federally mandated</u> student Human Subject Research trainings and (IRB) applications (classroom research) 75 student applications /year and Animal Care (IACUC) trainings for students. <p>Undergraduate Research Institute (URI):</p> <p>RGC will facilitate the administration of research grants awarded to students from URI</p> <p>RGC assists with administration of annual Student Celebration</p>

Research, Grants, and Contracts

Potential Metrics & Evaluation

- Faculty/Staff satisfaction with RGC
 - Initial survey, annually thereafter.
 - Brief survey after each proposal submission
- *Note: These outreach metrics are dependent on faculty incentives and interest to conduct externally funded scholarly work*

Outreach Metrics

Goal: Increase overall number of awards and amount of funding awarded to NKU

- **Total** number of faculty/staff submitting applications
 - % increase from previous year
- Total number of “**first-time**” faculty/staff grant **applicants**
 - % increase from previous year
- Total number of “**first-time**” **awarded** applicants
 - % increase from previous year

Research, Grants, and Contracts

Future Considerations

- Imperative for NKU is to remain in compliance for Sponsored Research funding with all federally mandated regulations.
- Repercussions: Potential legal fines for NKU and the administration, potential loss of current and future funding from multiple federal agencies
 - For example: in FY 15-16 an announcement was sent to NKU to correct a federal application. Due to insufficient staffing in RGC, this correction request was missed, the application was denied and NKU lost this long running \$1.2M funded program.
- Recent \$9.5M fine to Columbia University (Overhead error)
 - Initial error in an overhead rate applied to a budget occurred in an office similar to ours that submitted a research grant proposal using (on campus 60%) but building was (off campus 26%).

Division of Student Affairs

August 31, 2016



Division of Student Affairs

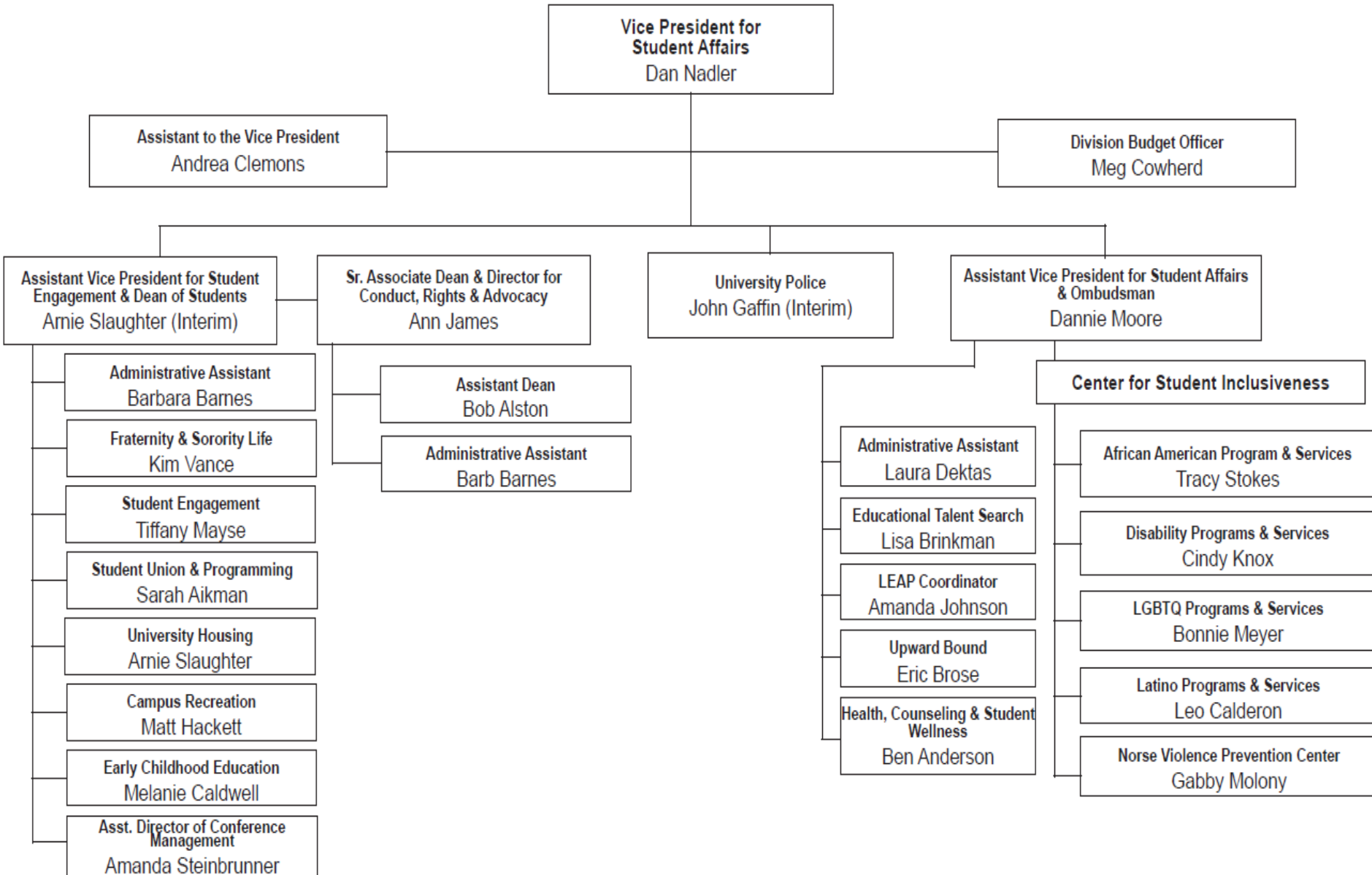
Mission and Broad Goals

Student Affairs provides quality co-curricular programs and services that prepare students to learn, lead and serve.

- **Engage** students to enhance learning
- Promote an **inclusive** and diverse education experience
- Ensure **quality** programs, services, facilities and campus climate for students
- **Collaborate** with campus and community partners
- Encourage support staff in their professional **development**



Division of Student Affairs



Division of Student Affairs

Student Engagement

Support Unit	Current Services
Campus Recreation	<ul style="list-style-type: none">▪ Program consists of a new facility, Intramural Field Complex and recreational programs including Intramural Sports, Club Sports, Norse Fitness, and Aquatics▪ Provides a hub for student engagement and community involvement (serves over 7,000 students)▪ CRC attracted over a quarter million visits during its first year of operation▪ 86% of residential students utilized the CRC (Over 70% of commuting students)▪ CRC is the largest student employer at NKU with over 120 student employees.▪ CRC is the largest university recreation center in Kentucky and is open seven days a week.▪ Signature events: National Hispanic Heritage Month, Black History Month, Pride Month and Disability Awareness Month
University Housing	<ul style="list-style-type: none">▪ Provides residential services for students during the academic year and summer sessions▪ Campus housing includes traditional residence hall rooms as well as apartment-style living and suite style living▪ Students who live on campus will be engaged in programs and opportunities that center around the four pillars of our Residential Education Model: Academic Success, Civic Responsibility, Multicultural Competence, and Personal Development▪ There are six unique residential areas and ten LLCs▪ University Housing can house just over 2000 students▪ Completion of Fall 2015: 99% occupancy (Spring 2015: 95%)▪ Completion of Fall 2015: 96% occupancy



Division of Student Affairs

Student Engagement

Support Unit	Current Services
<p style="text-align: center;">Student Engagement</p>	<ul style="list-style-type: none"> ▪ Provide leadership and service to over 200 registered student organizations ▪ Allocate and support more than \$100,000 for student organizations for professional development and University programs (e.g. President’s Academy) ▪ Northern Kentucky Leadership Institute (NKLI) assisted over 3000 students in tracking over 7000 hours of community service which equates to over a \$137,000 of economic impact ▪ NKLI partners with at least 40 groups/departments to organize and provide over 400 Leadership University workshops for the students. ▪ Signature programs: FreshStart and Fall Leadership Retreat ▪ Fall Leadership Retreat- In a five year assessment, we found that 95% of the (512 students) graduated
<p style="text-align: center;">Student Union and Programming</p>	<ul style="list-style-type: none"> ▪ Serves as the campus community center for students, staff, faculty, alumni and guests of NKU ▪ Provide a variety of programs and services that enhances learning and fosters an appreciation for college life and diversity (increase in weekend programs) ▪ 2015-2016 School Year – the student union and university center hosted 6308 events ▪ 2014-2015 School Year – the student union and university center hosted 5709 events ▪ Significant increase of 599 meeting and events in the 2015-16 school year ▪ Activities Programming Board provides a variety of programs and events for the students ▪ Signature APB events: Pumpkin Bust, Dale K hypnotist, Victorfest, and Homecoming Week



Division of Student Affairs

Student Engagement

Support Unit	Current Services
Fraternity and Sorority Life	<ul style="list-style-type: none"> ▪ Provide advisement to 19 chapters, 3 councils, and 1 honor organization ▪ Over 1300 students are involved in F&S life (12% of the NKU undergraduate population) ▪ Six historically African American organizations and one Latino/a interest fraternity ▪ F&S membership growth rate averages about 10% each year ▪ Provide a significant and visible contribution to the vibrancy of campus ▪ Over 30,400 community service hours were logged by members of the F&S communities
Early Childhood Center	<ul style="list-style-type: none"> ▪ ECC is a direct extension of the campus atmosphere -- student-centered Purpose is to provide an excellent child care program and environment for NKU students, staff, faculty, alumni and community members ▪ Serve more than 125 children, ages 1-14, annually, and we have more than 35 years experience providing a curriculum built on constructivist theory that encourages children to learn through interaction. ▪ ECC is licensed, regulated and star rated by the Kentucky Cabinet for Families and Children, and STAR Rated with the Governor's Office for EC
Conference Management	<ul style="list-style-type: none"> ▪ Provide on site consultation for one day events and overnight conferences in collaboration with the Student Union, University Housing, parking services, and food service operations ▪ Manage contracts, agreements, and event logistics ▪ Serves as a one stop shop for University, local, and regional events



Division of Student Affairs

Center for Student Inclusiveness

Support Unit	Current Services
<p>African American Programs and Services</p>	<ul style="list-style-type: none"> ▪ Provide support and advocacy for African/African American students ▪ Coordinate programing and services that promote cultural self identity, leadership, career exploration, and community building ▪ Signature program: NKU R.O.C.K.S ▪ NKU R.O.C.K.S. fall to fall retention (2013-2014 academic year): 82% ▪ NKU R.O.C.K.S. fall to fall retention (2014-2015 academic year): 76% ▪ Highest participation in NKU R.O.C.K.S (2014-2015 academic year): 87 students
<p>LGBTQ Programs and Services</p>	<ul style="list-style-type: none"> ▪ Provide education and advocacy to increase awareness of the needs of the LGBTQA community ▪ Continue to grow student support programs, begin tracking LGBTQ retention, and provide opportunities to support student success ▪ Utilize national benchmarks and the Campus Pride Index to create initiatives and services that impact the LGBTQA community ▪ Facilitate Allied Zone Trainings, Trans Ally Trainings, and workshops for departments and classes ▪ Signature programs: Inside Out, LGBTQ Mentor Program, LGBTQ Ambassador Program, and Lavender graduation

Division of Student Affairs

Center for Student Inclusiveness

Support Unit	Current Services
Latino Programs and Services	<ul style="list-style-type: none">▪ Provide support and advocacy for Latino students▪ Active community and campus program during academic year and during National Hispanic Heritage Month▪ Signature program: LAMP▪ LAMP fall to spring retention (2015-2016 academic year): 90%▪ Five day highly impactful program to assist Latino students in acclimation to campus
Disability Programs and Services	<ul style="list-style-type: none">▪ Provide support and advocacy for students with disabilities▪ Currently serve approximately 600 in providing reasonable housing and classroom accommodations▪ Provide training and support to faculty▪ Working on a non-compliance EIT Accessibility Charter with IT▪ Signature program: Annual Wheelchair Basketball Event (Disability Awareness Month- October)

Division of Student Affairs

Center for Student Inclusiveness

Support Unit	Current Services
<p>Learning Experiencing and Parenting (LEAP)</p>	<ul style="list-style-type: none"> ▪ Connect students to NKU and community resources ▪ Serve as a point of contact for K-TAP recipients who are considering NKU ▪ Provide case management services that include assessment, mentoring, counseling, and referrals ▪ Develop support groups, job skills training, and educational programs ▪ Provide work study jobs on campus to meet K-TAP work requirements
<p>Norse Violence Prevention Center</p>	<ul style="list-style-type: none"> ▪ Center experienced over 100% increase in students seeking advocacy (fall 2014 to fall 2015) ▪ Provide advocacy services which include: safety planning, campus reporting, law enforcement, housing accommodations, hospital, court, etc. ▪ Hosted over 65 open trainings, programs, and events (2015-2016 academic year) ▪ Coordinate training opportunities for students, faculty, staff, law enforcement officers, etc. ▪ Training numbers have significantly increased 1479 (2014-2015 academic year), 2734 (2015-2016 academic year, and 2522 (2016-2017) ▪ Signature programs: Green Dot, Lean on Me, Dating 101, Cultural Culprits, Sexual Assault 101, Let's Talk About Consent, Step In Speak Up, etc

Division of Student Affairs

Trio- Federal Outreach and Services

Support Unit	Current Services
Educational Talent Search	<ul style="list-style-type: none">▪ Provide monthly instruction by grade level to 952 students at target middle and high schools▪ Serve 12 middle and high schools in seven districts in northern Kentucky and southeastern Ohio▪ Offer educationally enriching field trips to colleges and universities, places of business, and cultural events▪ Assist students with the college application process and FAFSA▪ Approximately one third of the 683 ETS graduates from 2008-2015 attended NKU
Upward Bound	<ul style="list-style-type: none">▪ Facilitate monthly workshops for participants from five target high schools▪ Provide opportunities that showcase core academics, college selection, financial aid, health and wellness, cultural and inclusive excellence activities▪ Visit target schools at least monthly▪ Present a curriculum that includes English grammar, career exploration and counseling, identification of personal goals, and financial fitness▪ Host a four week summer on campus experience for Upward Bound students

Division of Student Affairs

Outreach Services

Support Unit

Current Services

Health, Counseling, and Student Wellness

- Counseling services experienced an **83%** increase in student counseling intakes (Fall 2014 to Fall 2015)
- Student walk in crisis appointments increase by **142%** (Fall 2014 to Fall 2015)
- Counseling services implemented a 15 session limit per academic year in Fall 2015 to manage demand
- Even with the 15 session limit, counseling sessions still increased by **245** session (academic year 2014-2015 to academic year 2015-2016)
- Student Wellness programming has increased over the past year
- SAMSHA's 8 Dimensions of Wellness is being used as a model to promote student wellness (Student Wellness Committee will oversee and implement programming)
- Student conduct violations for drugs and alcohol increased by **47%** (academic year 2014-2015 to academic year 2015-2016)
- Since academic year 2012-2013, drug and alcohol violations has risen by **212%**
- Counseling is in the process of securing funding to implement AlcoholEdu campus wide for academic year 2017-2018

Division of Student Affairs

Student Conduct, Rights, and Advocacy

Support Unit	Current Services
<p>Student Conduct</p>	<ul style="list-style-type: none"> ▪ All reports of possible Code of Student Rights and Responsibilities violations are reviewed, investigated and resolved by trained NKU student conduct hearing officers on the SCRA and University Housing staff ▪ Trained faculty, staff, and student volunteers from the campus community serve on hearing panels for serious violations of the Code ▪ Code charges do not imply student responsibility for the violation, simply the initiation of the Student Conduct process ▪ Alcohol related charges increased over the past two academic years from 218 to 380 (+ 74%) ▪ Controlled substance related charges increased over the past two academic years from 175 to 330 (+ 89%) ▪ Fall 2014 conduct reports: 110 (185 in Fall 2015) 68% increase ▪ In conjunction with HCSW, students offered Alcohol and Drug Education courses through the student conduct process increased 47% over the past two academic years
<p>Sexual Misconduct</p>	<ul style="list-style-type: none"> ▪ SCRA investigates all reports of sexual misconduct made to the university (students) ▪ Reports to SCRA increased by 100% (academic year 2014-2015 to academic year 2015-2016)

Division of Student Affairs

Student Conduct, Rights, and Advocacy

Support Unit

Current Services

Compliance- Title IX

This legislation prohibits discrimination on the basis of sex in any federally funded education program or activity. Discrimination defined by Title IX includes rape, sexual assault, sexual battery, and sexual coercion.

Per Title IX, institutions must meet the following requirements with regard to sexual misconduct:

- Every school must distribute a policy against ex discrimination
- Every school must have a Title IX Coordinator
- Every school must have and make known procedures for students to file complaints of sex discrimination
- Every school needs to provide training to students, faculty and staff
- Duty to investigate
- Must take prompt and effective steps to end the sexual violence, prevent its recurrence, and address its effects
- Must take steps to protect the complainant
- Must provide a grievance procedure
- Must use the preponderance of the evidence standard to resolve complaints of sex discrimination
- Must have notification requirements



Division of Student Affairs

Student Conduct, Rights, and Advocacy

Support Unit	Current Services
Compliance - VAWA and Campus SaVE Act	<p>Violence against Women Reauthorization Act (VAWA)- Campus Sexual Violence Act provision (Campus SaVE Act)</p> <ul style="list-style-type: none">▪ New reporting requirements for the Campus Security Report (CSR)▪ Adds domestic violence, dating violence, and stalking to the categories that, if the incident was reported to a campus security authority or local police agency, must be reported in the CSR.▪ New requirements for the campus disciplinary process▪ More prescriptive guidance for educating students, faculty and staff▪ New students and new employees must be offered “primary prevention and awareness programs” that promote awareness of rape, acquaintance rape, domestic violence, dating violence, sexual assault, and stalking.▪ Report domestic violence, dating violence, and stalking as additional categories in the Clery Report▪ Adopt institutional policies to address and prevent campus sexual violence (training and education of students, faculty and staff, for example)▪ Adopt specific student discipline procedures

Division of Student Affairs

Student Conduct, Rights, and Advocacy

Support Unit	Current Services
NKU Compliance	<ul style="list-style-type: none">▪ Updates and publishes policies and procedures related to sexual misconduct and students that are contained in the Code of Student Rights and Responsibilities▪ Responsible for the student conduct process related to sexual misconduct cases▪ Senior Associate Dean is also a Deputy Title IX Coordinator▪ Communicate incident reports to University Police for inclusion in the annual security report (Clery Report)▪ Presents to all incoming students regarding how to file a complaint of sexual misconduct as well as what our policies and procedures are related to that topic

Division of Student Affairs

Student Conduct, Rights, and Advocacy

Support Unit	Current Services
NKU Compliance	<ul style="list-style-type: none">• Administers Haven and Haven Plus- online module to educate students on prevention of and response to sexual misconduct.<ul style="list-style-type: none">○ 2014-2015: 2,222 NKU students completed part 1 of Haven and 1113 completed part 2 of Haven○ 2015-2016: 2250 NKU students completed part 2 of Haven and 1017 completed part 2 of Haven○ In fall 2015, students reported a 17% increase in comfort intervening when witnessing abusive behavior between parts 1 and 2 of Haven○ In fall 2015, students reported a 59% increase in awareness of resources for relationship violence on campus between parts 1 and 2 of Haven○ In fall 2015, students reports a 36% increase in being able to identify warning signs of abuse in dating relationships• Presents to staff and faculty departments regarding Title IX and VAWA obligations

Division of Student Affairs

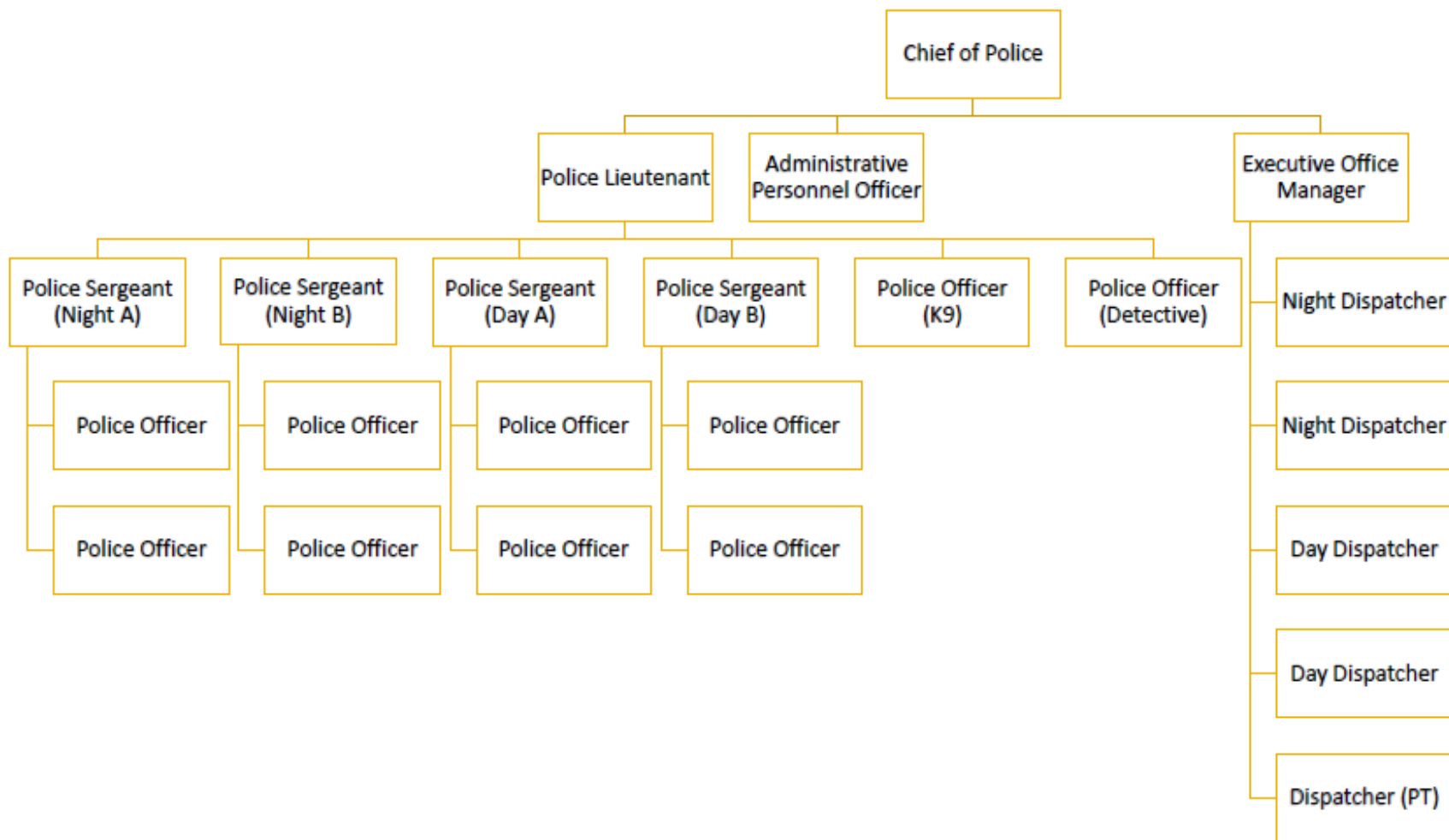
University Police

The Northern Kentucky University Police Department strives to be the finest law enforcement agency in the Commonwealth of Kentucky by providing the highest level of professional law enforcement, safety, community service and crime prevention.

- Full-service, state-accredited law enforcement agency, providing 24/7 service to the HH campus
- Community oriented staff members
 - 17 sworn positions
 - 4.5 dispatchers
 - 1 office manager- compliance staff



University Police Organizational Chart, July 2016



Division of Student Affairs

University Police

Support Unit	Current Services
Communications Center (4.5 FTE)	<ul style="list-style-type: none"> • Receives emergency and non-emergency calls for service via telephone and emergency callbox • Monitor University alarm systems, door access systems, and panic buttons • Document and prioritize calls for service and send officers to resolve calls • Control access and greet visitors to University Police station • Disseminate emergency notifications to community as directed by Chief of Police • Service is provided 24/7
Office Management (1.0 FTE)	<ul style="list-style-type: none"> • Records Management • Purchasing • Ensure compliance with Clery, Title IX, et. al • Administer and provides fee-based fingerprinting service to University community • Greet visitors to University Police station
Investigations (1.0 FTE)	<ul style="list-style-type: none"> • Conduct in-depth investigations requiring expertise and attention beyond patrol capabilities • Administer University Police evidence and property management system • Serve as liaison with Student Conduct office and local court system

Division of Student Affairs

University Police

Support Unit	Current Services
Administration (3.0 FTE)	<ul style="list-style-type: none">• Includes Chief of Police, Police Lieutenant, and Administrative Personnel Officer• Responsible for administering department operations to include: scheduling, policy, emergency planning and operations, long-term planning, budget, liaison with local police and other university police
Patrol Services (13.0 FTE)	<ul style="list-style-type: none">• Patrol sergeants and officers responsible for bulk of “boots on the ground” operations including but not limited to: routine patrol, crime prevention, crime reporting, initial investigations, and response to calls for service, traffic direction, control and enforcement• Also includes explosives detection K9 and handler• Service is provided 24/7

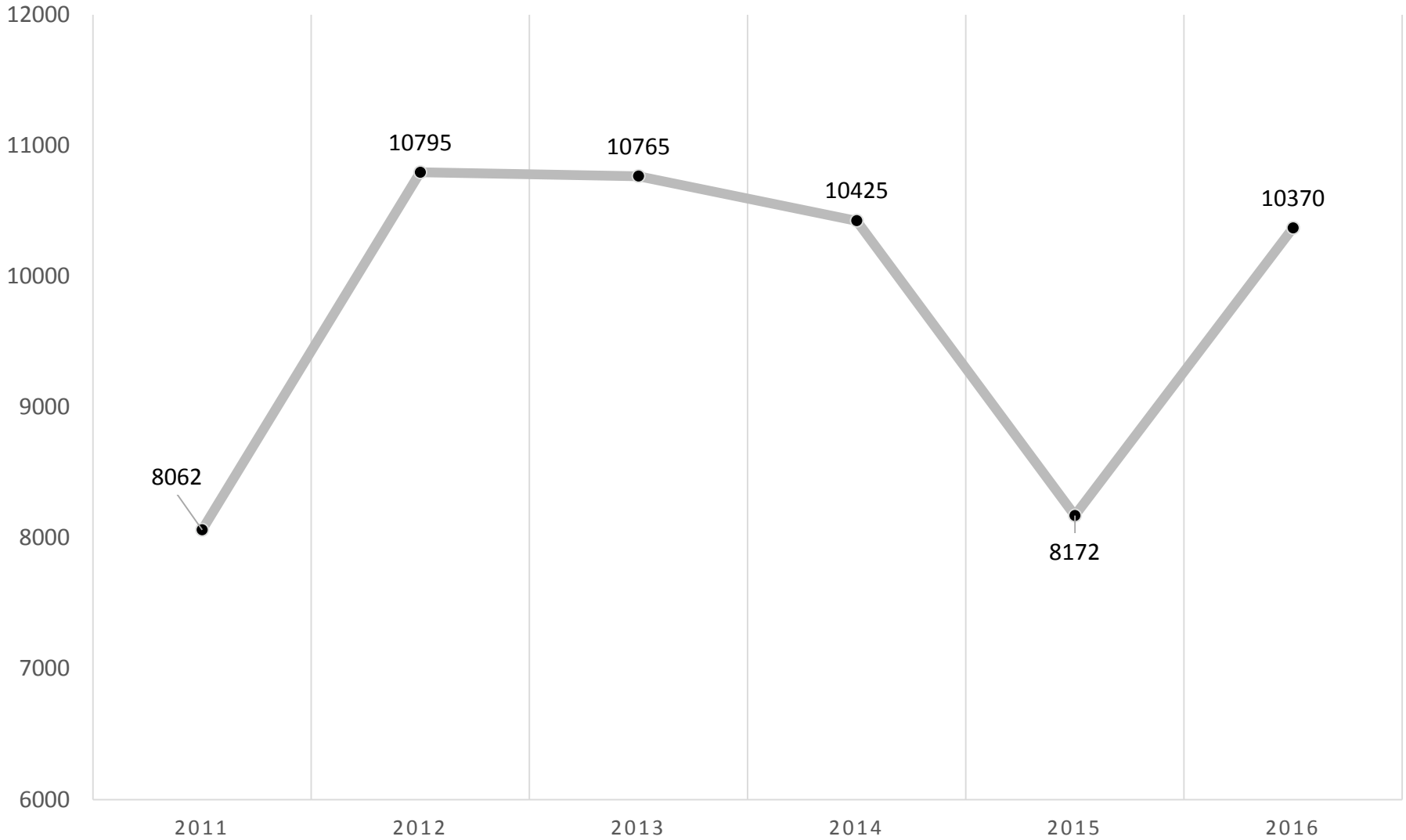
DOSA- University Police

Potential Metrics & Evaluation

- See next slide

ANNUAL DISPATCHED CALLS FOR SERVICE (EXCLUDES PATROL-RELATED CALLS)

● Dispatched Calls for Service (excludes patrol-related calls)

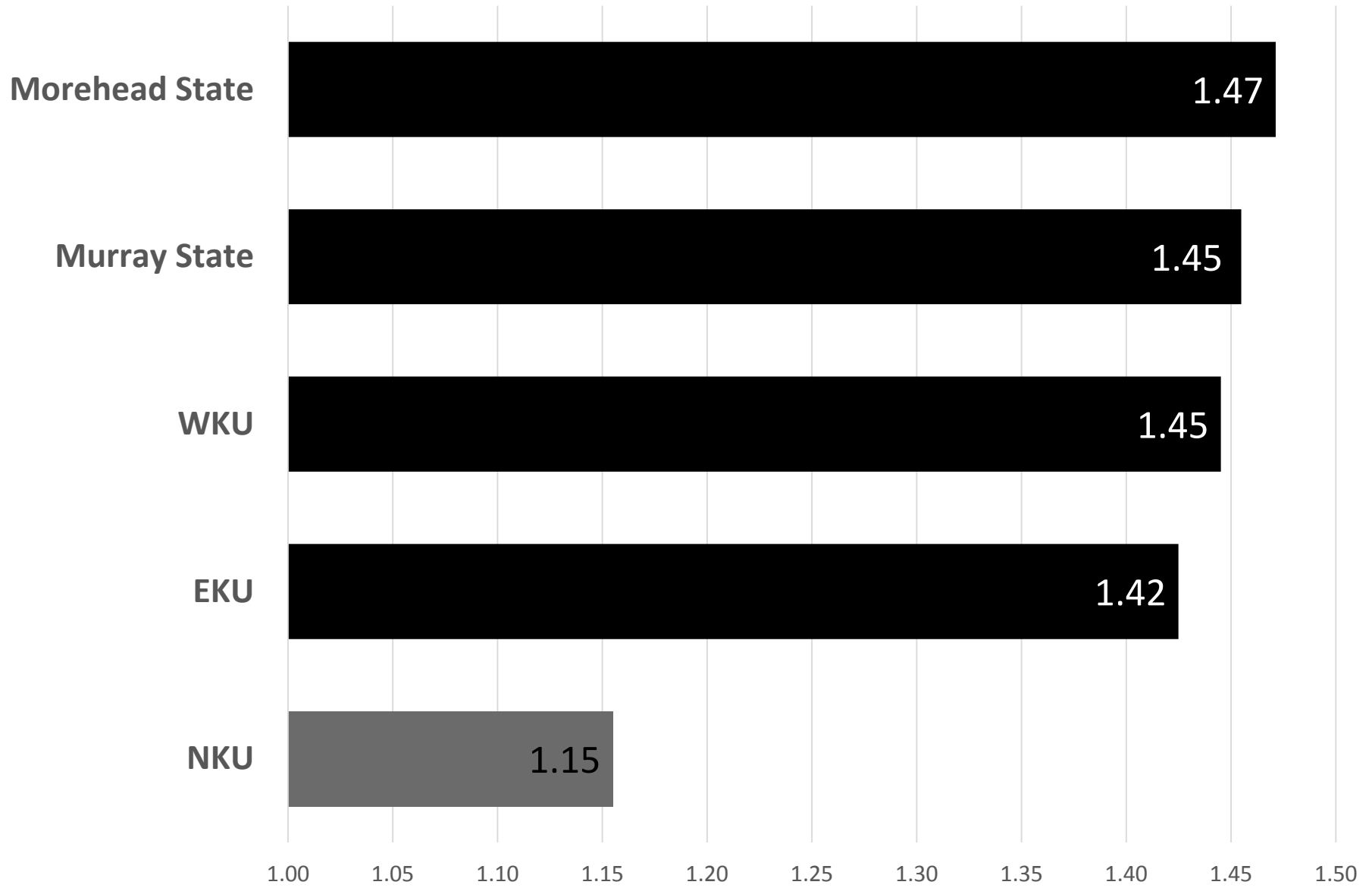


DOSA - University Police

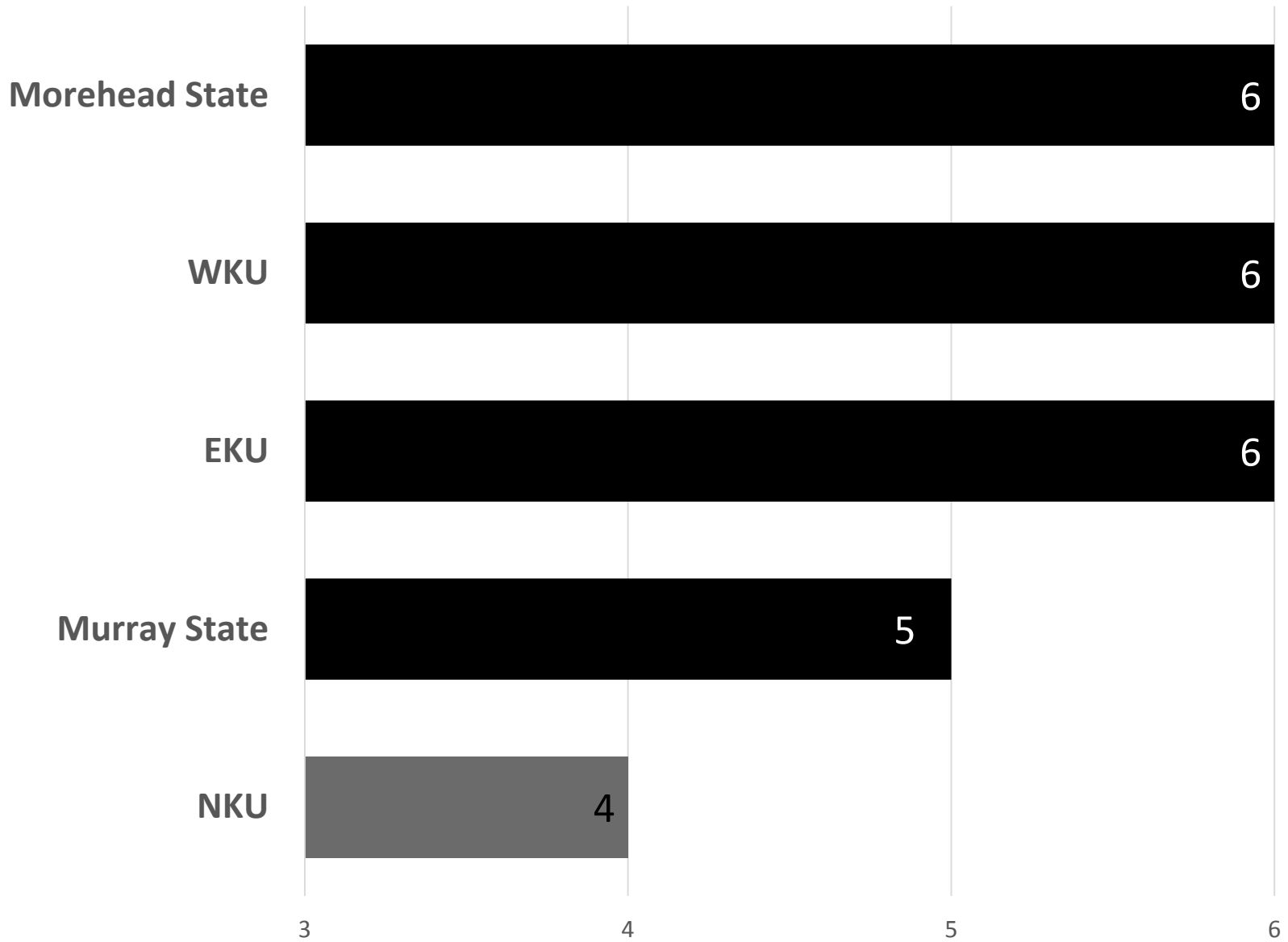
Future Considerations: Staffing

- Staffing for University Police lags other institutions in Kentucky.
- Impacts of this are seen with regards to:
 - Provision of police services
 - Overtime expenses
 - Implementation of community oriented policing programs
 - Clery compliance

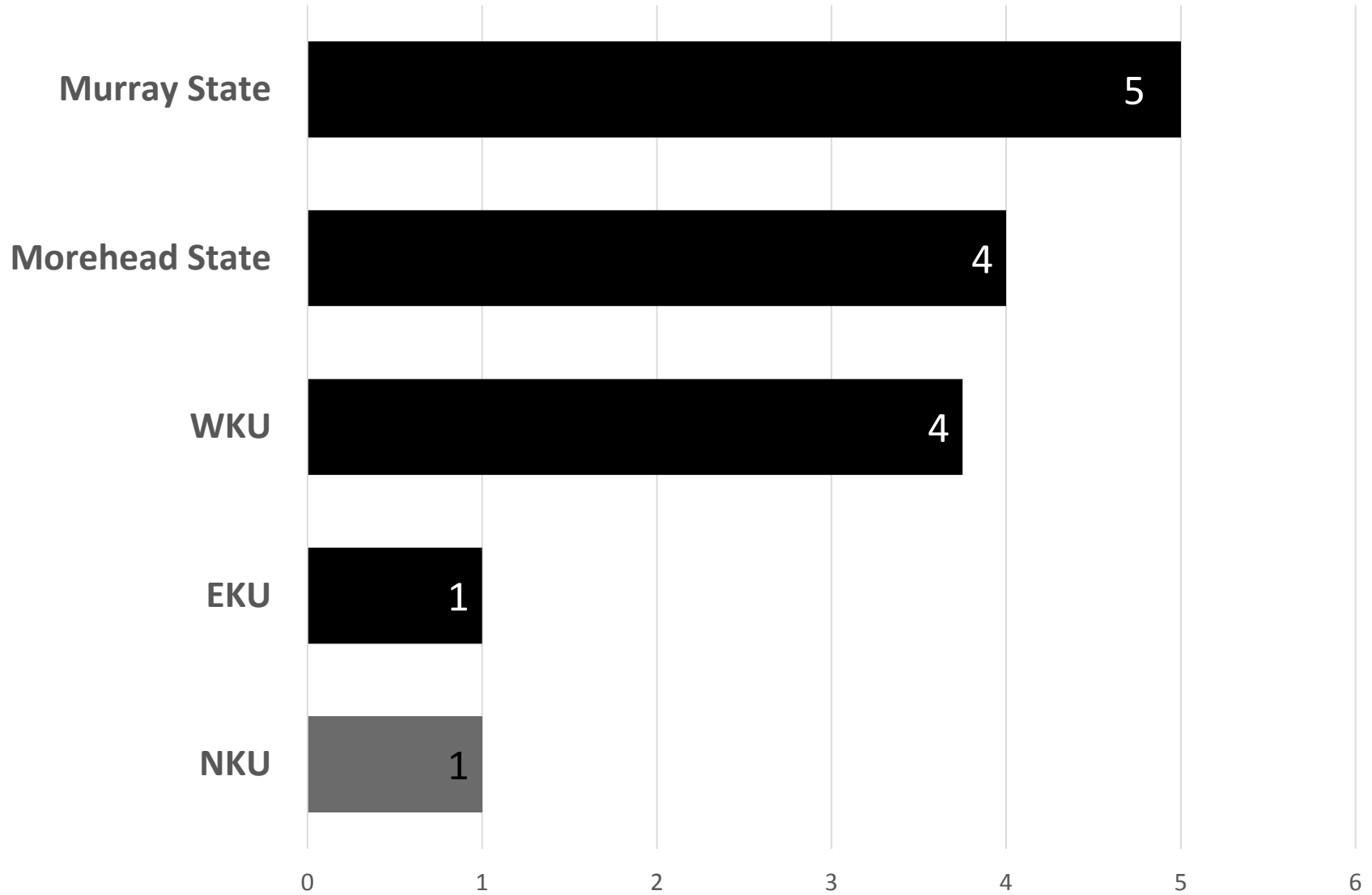
Sworn officers per 100 students (2015 CPE Headcount)



Full-time dispatchers at Kentucky schools



FTE Police Department support and compliance staff at Kentucky schools



DOSA - University Police

Future Considerations: Facility

- University Police currently operates out of two houses on Johns Hill Road.
 - No other Kentucky public university police department operates from homes
- The houses suffer from:
 - Energy inefficiency
 - Insufficient square footage
 - Design limitations
 - Disrepair and blight
 - Septic and flooding problems



Division of Student Affairs

Metrics & Evaluation

Fall 2014 first-time, full-time bachelor's degree seeking students

NKU ROCKS

	Students	1st Fall GPA	1st Fall ECH	1st Year CGPA	1st Year CECH ¹	Fall to Fall Retention
ROCKS Participants B cohort**	73	2.82	12.8	2.71	26.0	76.7%
Other AA Students B Cohort	84	2.30	10.5	2.16	20.6	50.0%
All Other Students B cohort*	1,920	2.70	12.1	2.60	27.5	68.9%

LAMP

	Students	1st Fall GPA	1st Fall ECH	1st Year CGPA	1st Year CECH ¹	Fall to Fall Retention
LAMP Participants B Cohort**	33	3.04	13.2	2.93	31.2	72.7%
Other Latino Students B Cohort	43	2.66	11.1	2.55	23.9	62.8%
All Other Students B Cohort*	1,960	2.70	12.1	2.60	27.4	69.1%

FreshStart

	Students	1st Fall GPA	1st Fall ECH	1st Year CGPA	1st Year CECH ¹	Fall to Fall Retention
Fresh Start Participants B Cohort	119	3.11	13.8	3.00	35.3	87.4%
All Other Students B Cohort*	1,874	2.68	12.0	2.58	26.9	68.0%

Division of Student Affairs

Metrics & Evaluation

Fall 2014 first-time, full-time bachelor's degree seeking students

Fraternity and Sorority

	Students	1st Fall GPA	1st Fall ECH	1st Year CGPA	1st Year CECH ¹	Fall to Fall Retention
Fraternity and Sorority B Cohort	277	3.05	13.6	2.95	32.5	87.0%
All Other Students B Cohort*	1,716	2.65	11.9	2.55	26.6	66.3%

Housing

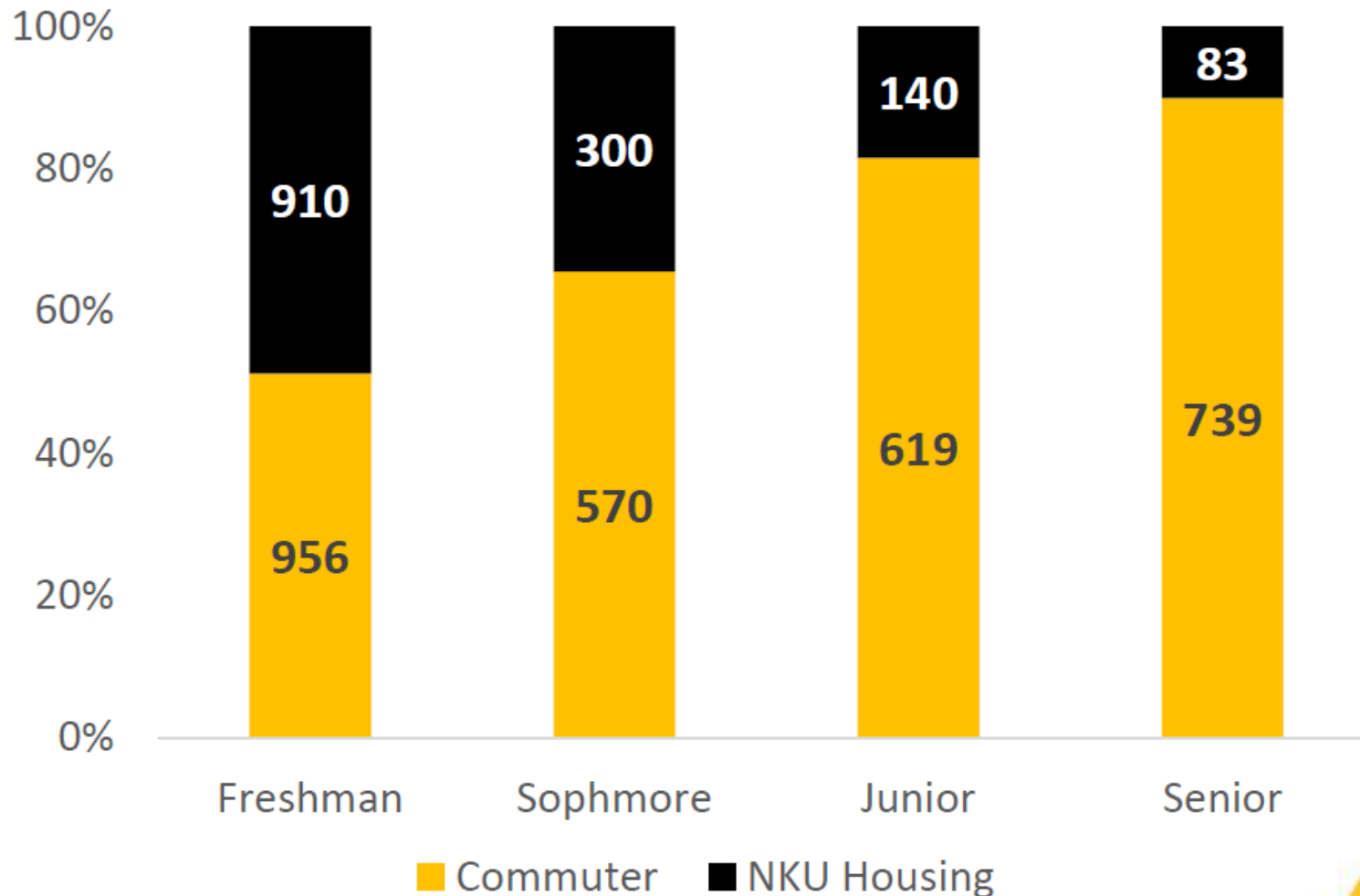
	Students	1st Fall GPA	1st Fall ECH	1st Year CGPA	1st Year CECH ¹	Fall to Fall Retention
NKU Housing B Cohort	872	2.85	12.7	2.76	30.4	74.8%
All Other Students B Cohort*	1,121	2.59	11.6	2.48	25.1	64.8%

Campus Rec Center

	Students	1st Fall GPA	1st Fall ECH	1st Year CGPA	1st Year CECH ¹	Fall to Fall Retention
1 visit to CRC B Cohort	337	2.59	11.8	2.50	26.6	66.2%
2-15 visits to the CRC B Cohort*	747	2.79	12.5	2.68	28.6	71.5%
16+ visits to CRC B Cohort*	245	2.91	12.9	2.78	29.6	80.8%
All Other Students** B Cohort	664	2.59	11.4	2.50	25.8	63.7%

Campus Recreation

Student Visits: Myth-busting



Comprehensive View of Student Engagement

Engagement w/ programming

	Students	1st Fall GPA	1st Fall ECH	1st Year CGPA	1st Year CECH ¹	Fall to Fall Retention*
Co-curricular Programming	1,232	2.81	12.6	2.71	29.4	73.6%
1 program	517	2.65	12.0	2.57	27.6	67.7%
2 programs	415	2.86	12.7	2.76	30.3	74.5%
3 programs	230	3.01	13.3	2.91	32.0	83.0%
4 programs	62	2.96	13.0	2.89	29.3	82.3%
5 programs	8	3.21	14.8	2.97	30.1	75.0%
No Co-curricular Programming	761	2.52	11.3	2.42	24.2	61.9%

Engagement w/ student groups

	Students	1st Fall GPA	1st Fall ECH	1st Year CGPA	1st Year CECH ¹	Fall to Fall Retention*
NorseSync Groups	462	3.04	13.4	2.94	32.8	81.8%
1 group	182	2.97	13.3	2.86	31.0	78.6%
2-3 groups	175	2.90	13.0	2.82	32.3	79.4%
4-5 groups	76	3.39	14.2	3.31	37.3	92.1%
6+ groups	29	3.39	14.4	3.29	35.3	89.7%
No NorseSync Groups Affiliations	1,531	2.60	11.7	2.50	25.8	65.3%

Division of Student Affairs

Future Considerations

- Significant growth in student participation in opportunities to engage on campus (e.g. campus recreation, student organizations, housing, fraternities/sororities, APB, etc.)
 - Students are expressing interest in getting involved early
- Enhance the student experience by strengthening co-curricular programs, promoting athletics, increasing housing capacity, and connecting students to alumni
- Creating a collegiate environment outside of the NKU campus (e.g. opportunities to create an engaged Highland Heights community)
 - Increase stores, restaurants, and options that cater to students

Division of Student Affairs

Future Considerations

- Insufficient funding for our programs and services due to declining enrollment and potential loss of grant funding
- Impact of Fair Labor Standards Act (FLSA) on staffing and student engagement events
 - Adjustments to work schedules (peak engagement periods)
 - Challenges for collaboration and support for other offices
- Significant increase in the volume of growth in various DOSA service areas (e.g. conduct, counseling, NVP, etc.)
 - Impact on limited staff
 - Increased facility needs and space availability

Vice President for Legal Affairs & General Counsel

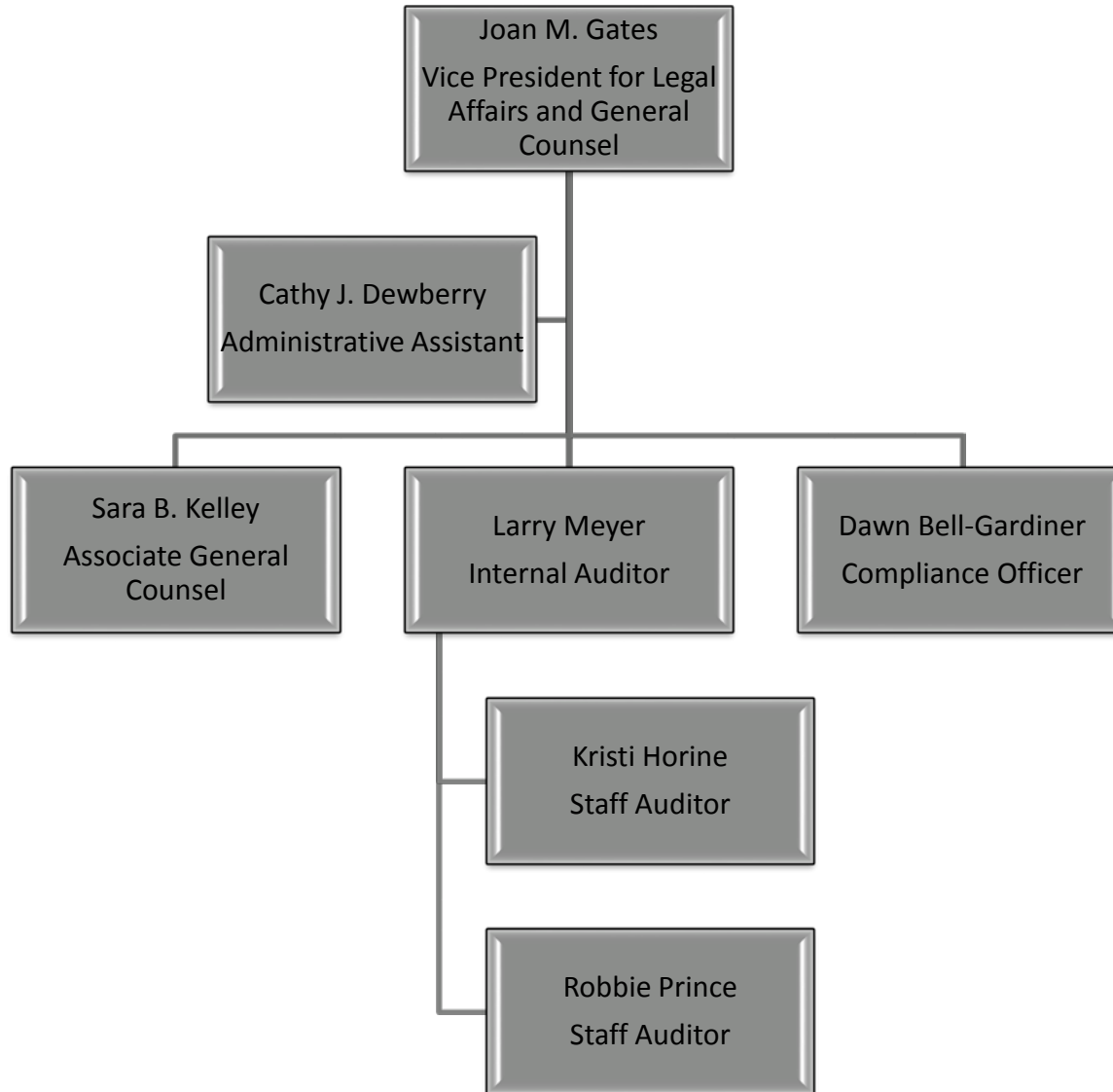
August 31, 2016



Institutional Ethics & Compliance

Unit Overview

- Our mission is to promote ethical and compliant conduct and to provide support, collaboration and assistance to all compliance partners in order to ensure that University personnel are aware of, and complying with, internal and external laws, regulations, policies and procedures.



Vice President for Legal Affairs & General Counsel

Service Provided

Support Unit	Current Services
Legal Affairs	<ul style="list-style-type: none">• Advise the Board of Regents, President, Vice-Presidents, Deans, faculty and staff concerning legal issues related to university programs and activities• Investigate, respond, and defend claims filed with federal and state oversight agencies• Supervise and provide litigation services in conjunction with services provided by outside counsel• Draft, review, and revise university and outside contracts, waivers, and agreements• Train and advise university employees conducting and participating in administrative hearings• Advise and assist Human Resources and supervisors regarding personnel matters• Advise and assist Student Affairs and Academic Affairs on issues related to student complaints• Review existing university policies and procedures for compliance with current law• Recommend, draft, and review policy revisions to reflect current law and regulations• Ensure compliance with open records, open meetings, and record retentions statutes

Vice President for Legal Affairs & General Counsel

Service Provided

Support Unit	Current Services
Institutional Ethics & Compliance	<ul style="list-style-type: none">• Identify and monitor existing and developing compliance issues• Administer the Ethics & Compliance Helpline• Facilitate, track and report on the annual acknowledgement of our Values & Ethical Responsibilities• Review new and revised policies for ethics and compliance issues• Facilitate, track and report on compliance training• Participate in various committees• Administer minors on campus program• Strengthen regulatory compliance at the university• Ensure periodic policy review and create/revise compliance policies as needed• Report on the status of the compliance program to the Audit and Compliance Committee of the Board of Regents

Vice President for Legal Affairs & General Counsel

Service Provided

Support Unit	Current Services
Financial & Operational Audit	<p>FOA reviews, tests and evaluates the adequacy and effectiveness of the systems of internal control that are in place around the University. This is accomplished by conducting risk based audits to ensure:</p> <ul style="list-style-type: none">• University assets are safeguarded• Data is accurate and reliable• Compliance with established rules, regulations, laws and polices• Efficiency and effectiveness of operations <p>• Conduct audits and investigations requested by administration or as a result of a report received on the NKU Helpline</p> <p>• Partner in training programs and distribute a periodic newsletter, Audit Alert, to communicate information related to internal audits</p>

Vice President for Legal Affairs & General Counsel

Potential Metrics & Evaluation

- Utilize customer service surveys to improve and ensure effective service provision
- Track responsiveness to requests to minimize delays and increase productivity
- Track costs and cost savings to best allocate resources
- Track matters by type and outcome to inform risk management efforts and recognize trends
- Resources: United Educators, NACUA, NACUBO, and others

Vice President for Legal Affairs & General Counsel—Financial and Operational Audit

Current Metrics & Evaluation

- **Productivity Goal**-Staff work hours are tracked to ensure at least 65% of effort is expended on audit projects and 35% or less on administrative duties
- **Audit Recommendations**-Follow up reviews are conducted on all audit projects to ensure 80% of recommendations are implemented within 6 months
- **Quality Customer Service**-All auditees receive an end-of-audit evaluation of our services. Our goal is to achieve a rating of 3.4 out of 4.0
- **Director Evaluation**-Each audit project is evaluated by the director to ensure the audit was complete, planned effectively to ensure significant risks were tested, documented thoroughly, the report clearly written and benefited the University

Vice President for Legal Affairs & General Counsel

Opportunities and Challenges

- Fine tune service provision to best meet the needs of the university
- Integrate more actively with university risk management efforts
- Continued national trend of increasing regulation and litigation, including higher education specific issues
- Heightened need to update policies and training and effectively communicate those changes

Welcome

September 1, 2016



Administration & Finance



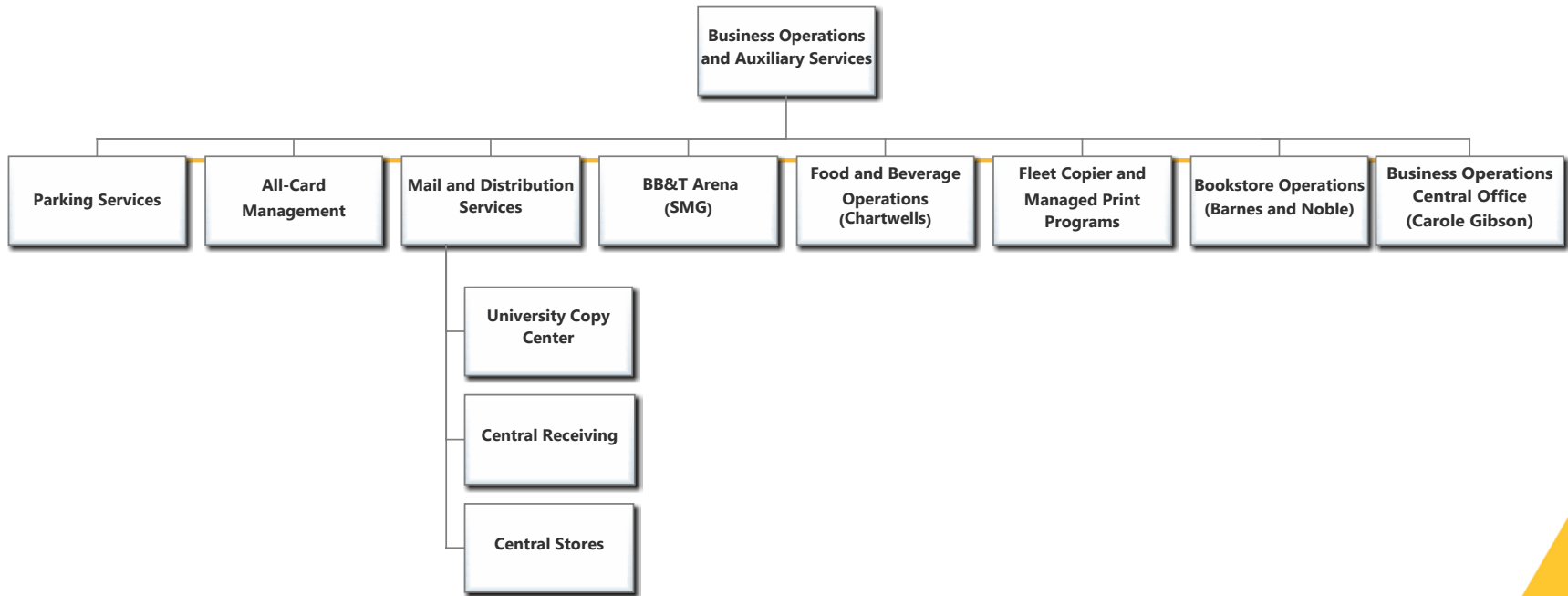
Office of Business Operations and Auxiliary Services

September 1, 2016



Business Operations and Auxiliary Services

Unit Overview



- Mission Statement:
- Business Operations and Auxiliary Services, a division of Administration and Finance, provides superior, cost efficient services to students, faculty, staff, and the community. In accordance with NKU's core values we continually develop and evaluate our services to insure the highest standards possible.
- 18 fulltime, 7 part-time and 50 seasonal employees.

Business Operations and Auxiliary Services

Service Provided

Support Unit	Current Services
<p>Parking Services</p>	<ul style="list-style-type: none"> • Provides strategic and logistical management and support for the Parking Services function on the NKU Campus including the BB&T Arena • Provides parking and related accommodations which are safe, convenient, properly maintained, well-lighted, and secure • Motor Assist Program – assistance for motorist needing assistance with vehicle problems. Most notably dead batteries and lock outs • Parking Ambassador Program – assistance with directions, transportation, and general knowledge of the university • Alternative and Sustainable Transportation – Zip Car and GOTCHA Bike • Workforce – (6) full-time, (2) part-time, and 25 – 50 event related part-time employees
<p>All-Card Operations and Management</p>	<ul style="list-style-type: none"> • Provides strategic and logistical management for the university one-card system • NKU/US Bank Partnership; card as a debit card, financial aid direct transfer, and discounted banking services • Technology provider for the following services; (1) residential meal program, (2) university wide building access, (3) F&B declining balance programs, (4) Tank and Southbank Shuttle passes, (5) residential hall access, (6) campus recreation and library access • Workforce – (2) full-time employees, and (1) part-time student employee
<p>Mail Distribution/ Copy Center Services</p>	<ul style="list-style-type: none"> • Provides strategic and logistical management for the university wide services for the copy center, mail and distribution services, and central stores • Copy Center • Bulk Mail Processing • Mail Handling, Transport, and Processing • Central Receiving • Central Stores • Workforce – (7) full-time employees, and (4) part-time student employees

Business Operations and Auxiliary Services

Service Provided

Support Unit	Current Services
<p>BB&T Arena managed by SMG</p>	<ul style="list-style-type: none"> • Provides strategic and logistical management services for the operation of the 10,000 seat BB&T Arena • Schedules and manages world class entertainment events • Home of the Northern Kentucky University Department of Athletics Administration • Home of the Northern Kentucky Universities Men’s and Women’s Basketball programs • Schedules and manages high school athletic events; 9th and 10th region basketball including regional tournaments, and the Kentucky Girl’s Sweet 16 State Basketball Tournament • Community service outreach from hiring, staff development, and the hosting of community events • Graduation ceremonies for NKU as well as (12) high schools • SMG workforce – (13) fulltime, and (172) part-time and seasonal employees
<p>University Bookstore managed by Barnes and Noble</p>	<ul style="list-style-type: none"> • Provides strategic and logistical management for the operations of our on-campus bookstore • Manage the annual “<u>Textbook Adoption Program</u>” for NKU Faculty • Manage the on-campus bookstore location • Provides \$10,000 in annual book scholarships for the Department of Athletics • Provide “<u>Textbook Rental Program</u>” for NKU students • Workforce – (4) fulltime, and 90 part-time and seasonal employees
<p>Food and Beverage Operations managed by Chartwells</p>	<ul style="list-style-type: none"> • Provides strategic and logistical management for food and beverage operation including the BB&T Arena • Provides F&B services for residential student • Provides (3) levels of catering services for the campus • Operated state of the art food court operation that includes national brands (Starbucks, Einstein’s Bros Bagels, Papa John’s Pizza, Oleo Sushi, and opening spring 2017 Steak-N-Shake) • Provides support and support, i.e., (planning, development of programming, marketing, and employee development • Workforce – (125) fulltime, and (75) part-time employees

Business Operations and Auxiliary Services

Service Provided

Support Unit	Current Services
<p>Banking and Card Operations managed by US Bank</p>	<ul style="list-style-type: none"> • Provides strategic and logistical management of the on-camps banking center and administrative management of the US Bank/NKU card program • Student Checking Accounts • Full service branch located in the University Center • (2) ATM's, (1) full service on-campus • Access to US Bank checking accounts through use of NKU All-Card • Conduct financial wellness seminars providing financial education to the campus community • Workforce – (3) fulltime, and (10) part-time and seasonal employees
<p>Office of Business Operations and Auxiliary Services</p>	<ul style="list-style-type: none"> • Provides strategic and logistical management for operational units for BOAS • Management of the "<u>Fleet Copier Program</u>" • Management of the "<u>Managed Print Program</u>" • Management of the "<u>Print Labs Printing Program</u>" (working closely with IT) • Management of "<u>Vending Program</u>" (Derringer) • Provide customer and support for all business unit managed within BOAS • Workforce – (3) fulltime employees

Business Operations and Auxiliary Services

Potential Metrics & Evaluation

Parking Services:

- Maintenance of the Parking Services annual financial budget.
- Semi-annual patron surveys covering availability, service, and cost.
- Recording, review, and evaluation of all “*Motor Assist*” calls to gauge volume of service to the university community.
- Annual review of use of the alternative and sustainable transportation options. (Zip Car and GOTCHA-Bike)
- Annual sales volume - \$3,500,000

All-Card Management:

- Maintenance of All-Card Management’s annual financial budget.
- Evaluate annually the growth/decline of the “Declining Balance Dollars;” both deposits and on-campus expenditures.
- Annual evaluation (All-Card, IT, and CBORD) of equipment and software to insure we are current in the marketplace.
- Semi-Annual patron surveys covering scope of services, innovative concepts, and customer service.

Business Operations and Auxiliary Services

Potential Metrics & Evaluation

Mail Distribution and Copy Center:

- Maintenance of Mail Distribution/Copy Center annual financial budget.
- Annual review (maintenance, repair, restoration, replacement) of equipment (capital expenditures) for these (2) operations.
- Annually review number of pieces of mail and cost savings against using 1st class postage.
- Annual measure total number of shipments received and processed through “Central Receiving.”
- Demand and usage studies for “Central Stores.”

BB&T Arena managed by SMG:

- Maintenance of the BB&T' Arenas annual financial budget.
- Surveys to patrons after entertainment and sporting events.
- Guest experience cards after all ticketed events.
- Follow-up surveys and personal contact with managers and promoters to gauge their experiences at the arena.
- Annual sales volume - \$5,000,000

Business Operations and Auxiliary Services

Potential Metrics & Evaluation

University Bookstore managed by Barnes and Noble:

- Review of Barnes and Noble's monthly/annual "Profit and Loss Statements" to evaluate sales volume, operating expenses, and value to the customer based on those two factors.
- Barnes and Noble pays the university rent and commissions for management of the bookstore operation. These are made up of guarantees as well as increased commissions as the sales volume rises. The BOAS office manages and reconciles financial statements to insure that we are receiving proper rent and commissions on an annual basis.
- Academic semester review of the management of the textbook adoption program. We monitor what percentage of adoptions are in the system at certain points in the year.
- Annual sales volume - \$4,200,000

Business Operations and Auxiliary Services

Potential Metrics & Evaluation

Food and Beverage Operations managed by Chartwells:

- Review of Chartwells monthly/annual “Profit and Loss Statements” to evaluate sales volume, operating expenses (focusing on expenses related to cost of goods sold – food cost,) and value of services to our patrons based on these factors.
- Chartwells pay the university rent and commissions for the management of food and beverage services at NKU. These are made up of guaranteed payments as well as commissions based on sales volume. The BOAS office manages and reconciles financial statements to insure that the university is receiving proper rent and commission payments on an annual basis.
- Manage contract points, renovations, restorations, maintenance, and new construction for food and beverage operations.
- Annual Sales Volume \$10,000,000

Business Operations and Auxiliary Services

Potential Metrics & Evaluation

US Bank – On-Campus Branch and Card Operations:

- Management of annual contract with US Bank Corporation,
- Review of velocity of checking accounts and card activations for reconciling commission payments.
- Management of on-campus ATM operations.

Office of Business Operations and Auxiliary Services:

- Strategic and logistical management of all business units encompassed within “Business Operations and Auxiliary Services.”
- Management of the universities “Fleet Copier Program.”
- Management of the universities “Managed Print Program.”
- Contract administration for contracts with; Chartwells, Barnes and Noble, SMG, US Bank, GOTCHA Bike Group, Zip Card, and Derringer.

Business Operations and Auxiliary Services

Future Considerations

- Maintaining a proper scope of services to insure needs are met by the campus community.
- As auxiliaries is a service centric task, maintain appropriate service levels and offer services and competitive market driven fees.
- As the contract administrator; manage and maintain positive working relationships with our contracted business partners. (Chartwells, Barnes and Nobel, US Bank, SMG, Derringer Foods, Zip Car, and GOTCHA Bike group)
- Based on current economics; are there other university services that we should consider contracting if they can bring us improved services and a lesser cost?
- Based on higher education trends for universities to offer more on-line opportunities for students; what will the parking needs be in the next five years, and the next ten years.

Office of the Chief Financial Officer

September 1, 2016



CFO

Unit Overview

Who we are: CFO Office, Budget Office, and Comptroller's Office (including Student Account Services and Procurement Office)

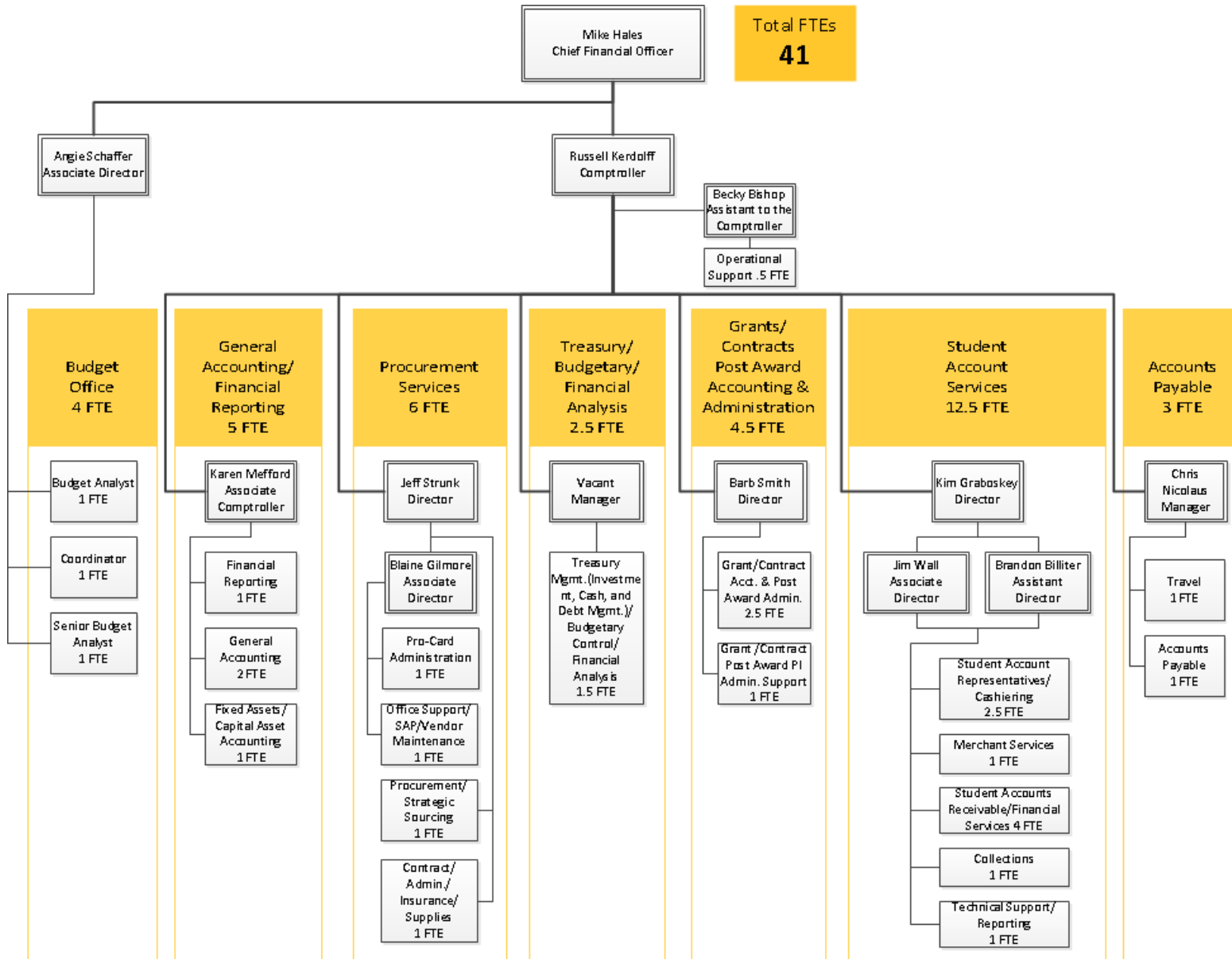
Mission: We provide quality services through ethical stewardship and proficient management of NKU's financial resources.

Vision: We will be exemplary providers of the highest quality fiscal and administrative services aligned with the mission and goals of the University.

Values: Ethical Responsibility, Service Excellence, and Servant Leadership

We Promise: To put students first and provide excellent customer service.

CFO



Total FTEs
41

CFO

Service Provided

Support Unit	Current Services
CFO Office	<ul style="list-style-type: none">• Leadership, management, and policy advice on all strategic and tactical matters pertaining to the fiscal operations and financial management of the University
Budget Office	<ul style="list-style-type: none">• Manages budget development and resource allocations from a campus-wide perspective• Oversees the annual University budget process• Oversees the state biennial budget process. The state biennial budget process has to be done in accordance with the guidelines established by the KY Council on Postsecondary Education, the Office of the State Budget Director, and the Legislative Research Commission.• Training and support for budget officers regarding new budget model
Comptroller Office	<ul style="list-style-type: none">• General accounting (including the annual financial statements)• Budgetary control/treasury functions (including debt management and investments)• Grant & contract administration• Accounts payable and travel reimbursements• Financial analysis and projections

CFO

Service Provided

Support Unit	Current Services
Procurement	<ul style="list-style-type: none">• Purchasing services including bids, quotes, and RFPs• Administers procurement card• Ensures compliance with KY's procurement code and all other applicable statutes/policies• Risk management services• Maintaining the University's insurance policies
Student Account Services	<ul style="list-style-type: none">• Responsible for billing tuition and fees• Processing payments• Reconciling student account inquiries• Collection of past due accounts• Processing student refunds

CFO

Potential Metrics & Evaluation

- Currently we track a variety of metrics in Procurement / Accounts Payable and Student Account Services (SAS) but have limited benchmarks to evaluate

- Examples of current metrics

SAS

- Check refunds versus ACH refunds (e.g., Spring '15 – Checks 830 versus ACH 11,160)
- Accounts receivable collection rate by agency
- Trends in student unpaid balances

Procurement / Accounts Payable

- Spend by vendor

CFO

Potential Metrics & Evaluation

- Some potential metrics for consideration:
 - Student Account Services
 - % Student unpaid balances
 - % Student accounts placed in collection
 - Accounts Receivable as a % of Total Invoiced
 - Procurement / Accounts Payable
 - Contract spend by supplier
 - Non-contract spend by supplier
 - Cost per invoice
 - Invoice to payable cycle times

CFO

Future Considerations

- **Concerns**
 - Budget office having sufficient resources to adequately train and handle issues for administrative/college budget coordinators with new budget model
 - Increasing state and federal regulations and reporting requirements putting a strain on personnel resources
- **Opportunities**
 - New budget software providing more efficient and effective budgeting process

Human Resources

September 1, 2016



Human Resources

Unit Overview

- The mission of HR, in support of the strategic goals of NKU, is to provide programs and services to recruit, reward and retain excellence in staffing. In addition, HR provides leadership in the development and administration of policies and procedures that meet the needs of prospective employees, current employees and retirees of the university while adhering to government regulations and professional and ethical standards.

Human Resources

Unit Overview – Education & Experience

Education

(9) Masters Degrees
(15) Bachelors Degrees
(2) Associate Degrees

Degree Total **26**

Certifications

SPHR PHR SHRM-CP
CBMI CCEP CEP NIMS
WELCOA ASCM CERT

**Collective Years
of Experience**

356

**13 NKU
Alumni**

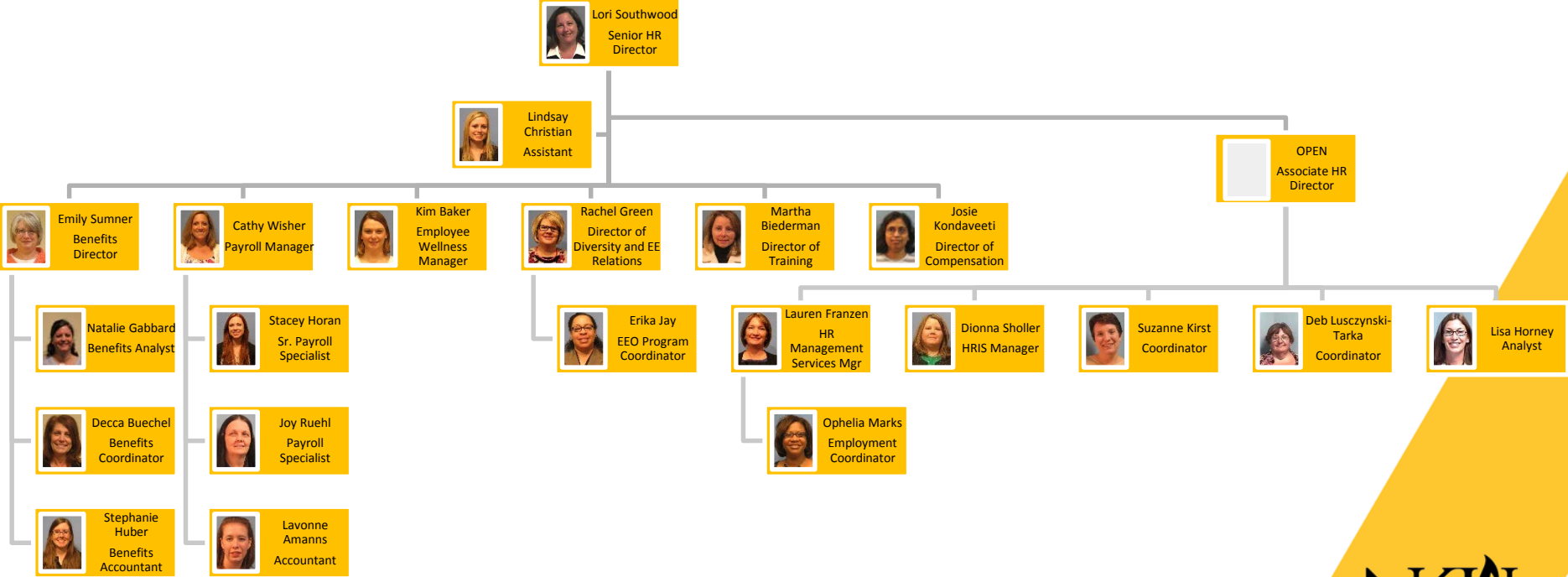
Industry Experience

American Airlines
Cincinnati Bell
Cincinnati Children's Hospital
Cincinnati Enquirer
Coca-Cola Refreshments
The Drees Company
Federated
Fifth Third Bank
General Cable
Toyota

Human Resources

Unit Overview

Full Time FTE : 20
 Part Time FTE: 1



Human Resources

Service Provided

Support Unit	Current Services
Benefits	<ul style="list-style-type: none"> • Medical, Dental and Vision Coverage • Health Savings and Flexible Spending Accounts • Life Insurance • Short-Term and Long-Term Disability Insurance • Leave of Absence and Family Medical Leave Act (FMLA) • Employee Assistance Program (EAP) • New Hire Orientation • Tuition Waiver • Faculty and Staff Retirement Plans • Benevolent Association
Compensation & Classification	<ul style="list-style-type: none"> • Job Descriptions, Analysis, Classification and Reclassification of Positions • Establishing and Managing Pay Range Structure • Market Surveys, Conducting Benchmark Studies, Managing Data Sources and Data Analysis • Implementation of Wage and Hour Laws and Legal Compliance of Compensation Programs • Managing the Annual Salary Review and Merit Increase Program. • Providing Counsel to Managers and Employees on Compensation Related Matters

Human Resources

Service Provided

Support Unit	Current Services
Employee Relations & EEO	<ul style="list-style-type: none"> • Advises and counsels issues related to EEO, performance, corrective action, general employee relations • Americans with Disabilities Act (ADA) Accommodations • Employee Exit Interviews • Creates and Updates Policies • Title IX Deputy Coordinator for Staff and Faculty • HR Liaison to Inclusive Excellence
Employment	<ul style="list-style-type: none"> • Recruitment • Vacancy Management • Job Postings and Advertisement • Temporary Staffing • Applicant Screening • Background Checks • Onboarding and New Hire Paperwork
HR Operations	<ul style="list-style-type: none"> • Personnel Action Requests (PAR) Processing • Workers Compensation and OSHA • Records Retention • HRIS • Tuition Waiver Application Process • Labor Distribution Issue Research

Human Resources

Service Provided

Support Unit	Current Services
Payroll	<ul style="list-style-type: none"> • Payroll Processing • Time Administration • Tax Deductions • Payroll Calendar • Absence Reporting
Training & Development	<ul style="list-style-type: none"> • Performance Evaluations • Team Building • Training Programs (i.e., A.L.i.C.E. Training, Customer Service, Staff Performance Review, etc.) • Coordinating with other external and internal Training Providers • Evaluation of Training Programs • Onboarding Revisions
Wellness	<ul style="list-style-type: none"> • Health Coaching & Screenings • Physical Activity Classes • Workstation Ergonomic Assessments • Healthy Monday Motivator • CPR/AED Certification • Healthy Snack Cart • Monday Mile • Tobacco Cessation Resources • Massage Services • Breastfeeding Room

Human Resources

Potential Metrics & Evaluation

- Benefits
 - Benefit costs as a percentage of payroll
 - Average costs of healthcare premiums
 - Customer satisfaction surveys
 - Covered lives
 - Training/informational sessions contact hours

Human Resources

Potential Metrics & Evaluation

- Employee Relations
 - Evaluation of employee relations issues resolved utilizing informal process vs. formal grievance process
 - Quarterly turnover rate – Voluntary vs. Involuntary
 - Turnover Analysis
 - Annual ADA accommodations implemented
- Employment
 - Evaluation of internal vs. external hires
 - Cost per hire
 - Time to fill
 - Recruitment sources
 - Employee satisfaction at 90 day probation
 - Manager satisfaction at 90 day probation

Human Resources

Potential Metrics & Evaluation

- Payroll
 - Payroll is currently tracking the following:
 - Checks vs. direct deposits each pay period
 - Number of off cycles and reasons why
 - Late time approvals
- Training & Development
 - Compliance training offered, completed.
 - Training/Development hours offered, completed.
 - Effectiveness of training assessment

Human Resources

Future Considerations

- Recruiting and retaining top talent in all age groups
- Maintaining retention and resilience in a financially constrained environment
- Supporting employees through change
- FLSA Rule and Overtime Expenses
- Legislative Challenges

Human Resources

Legislative Challenges

- Clery Act, FERPA, Title IX, PCI and Division 1 status require employees to be in compliance with various training requirements
- Affordable Care Act (2010 to present)-requiring extensive tracking and reporting
- Fair Labor Standards Act (2016 modifications)
- Occupational Safety and Health Administration (OSHA) (2015/2016 modifications)
- EEOC expanded guidance on Pregnancy Discrimination (2014)
- EEOC Title VII regarding LGBT related discrimination (2012 to present)

Planning and Institutional Research

September 1, 2016



Planning and Institutional Research

Unit Overview

- ***Office of Planning and Performance*** – supports the university’s strategic planning efforts and provides performance assessment services to increase NKU’s capacity to meet its stated goals and to demonstrate accountability to state, federal, and accrediting agencies, as well as campus constituencies.
- ***Office of Institutional Research*** – serves the university by collecting, analyzing, and reporting NKU information in support of university goals to internal and external constituents. The office also serves as the source of official analytical information about the university.

Planning and Institutional Research

Unit Overview

The work of the office of Planning and Performances falls into three broad domains:

- **Strategic planning** – coordinates the university’s strategic planning process, ensuring that the plan aligns with the statewide public agenda and that progress reports are routinely provided at all levels of the institution.
- **Unit assessment planning** – supports divisions, offices, and departments in the development and monitoring of objectives, measures, targets, findings, and analysis of unit assessment plans; serves as systems administrator for assessment tool.
- **Performance** – develops dashboard metrics and reports on NKU’s progress on achievement; provides analyses of institutional data and benchmarking data to address accountability concerns and support state budgeting efforts.

Planning and Institutional Research

Unit Overview

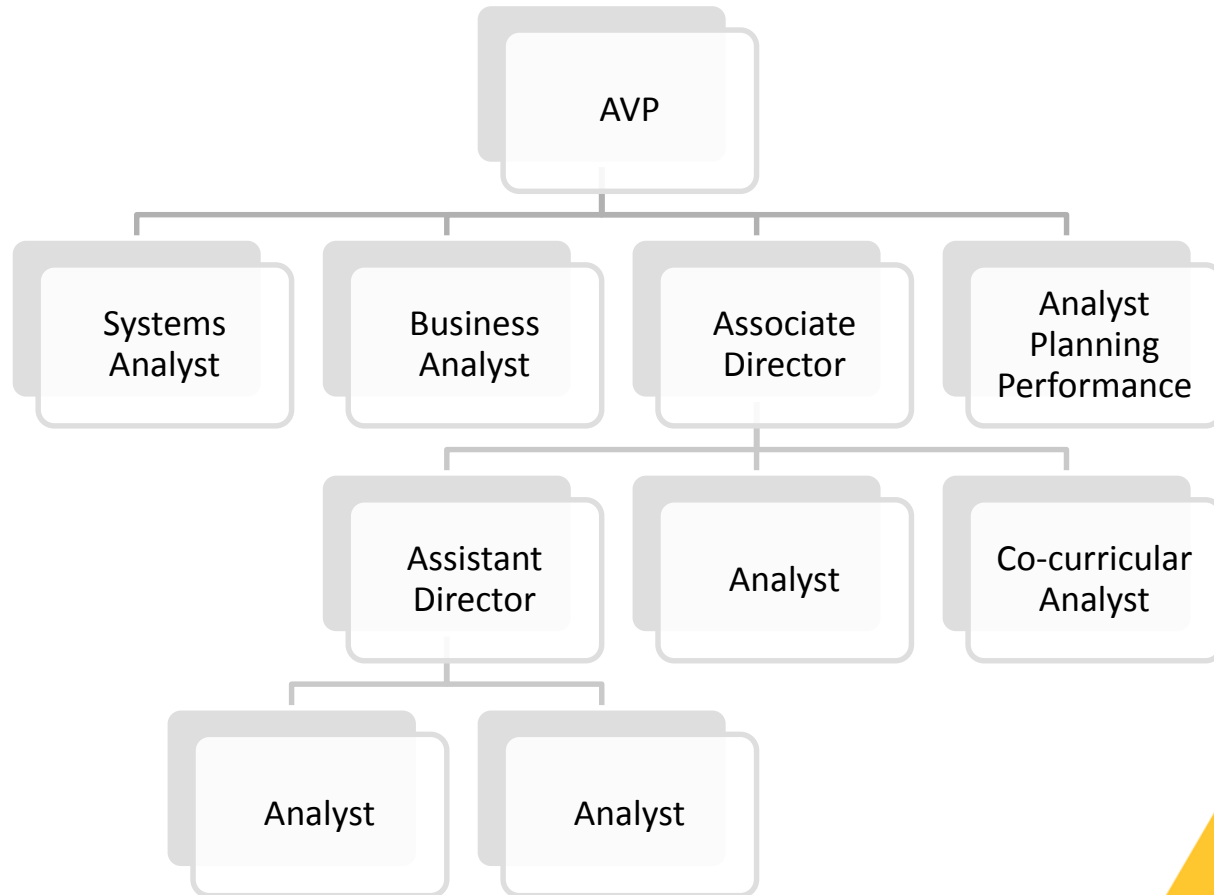
The work of Institutional Research falls into three broad domains that progress in complexity and scope:

- **Reporting (30%)** – Pulling data out of the various systems, validating, formatting, and then providing as files, documents, or presentations
- **Analysis (50%)** – All of the pieces of reporting but with the added layer of interpretation. Looking for and identifying root causes and trends for risks and anomalies
- **Analytics (20%)** – Looking to predict or forecast based on previous analyses.

Planning and Institutional Research

Unit Overview

10 FTEs



Planning and Institutional Research

Services Provided

Areas of Work	Current Services
External Reporting at State Level	<ul style="list-style-type: none"> • Council for Post-Secondary Institutions (data pulled multiple times per semester and reported) <ul style="list-style-type: none"> • Enrollments • Courses Offered • Grades • Retention • Degrees and Certificates • Transfer Students • Entrance Exams Testing • Key Academic Performance Indicators (Retention, Persistence, Time to Degree, etc.) • Licensure and Certification Exams • Facilities Utilization • Faculty Salary survey • Administrative Compensation Survey • Supplemental Workforce data
External Reporting at National Level	<ul style="list-style-type: none"> • IPEDS reporting (submitted once a year but with different specifications from CPE) <ul style="list-style-type: none"> • Enrollments (fall enrollments and annual unduplicated enrollment) • Retention • Degrees • Key Academic Performance Indicators (graduation rates and outcomes measures) • Human Resources (headcounts and salaries) • National Postsecondary Student Aid Study (NPSAS) • Department of Education Publications for the Web (multiple reports)
External Publications	<ul style="list-style-type: none"> • Compiling data and submitting to 15-20 institutional profile publications (examples) <ul style="list-style-type: none"> • US News and World Report • Wintergreen • ACT • Military Times; Best for Vets • CUPA's national faculty survey • AAUP's faculty salary surveys • Standard & Poor's; Moody's, Merritt, NACUBO



Planning and Institutional Research

Services Provided

Areas of Work	Current Services
Internal Reporting of Primary Data	<ul style="list-style-type: none">• Reporting and Analysis of Primary data sources for internal audiences<ul style="list-style-type: none">• Enrollments and profile of students, including new cohort students• Degrees and Certificates• Retention/ Persistence, including returning/non-returning student profiles• NCAA Rosters and KPIs• Co-curricular Engagement in NKU Programming• President's Data Team (providing investigative/exploratory analytics)• Data support for SACS accreditation processes• Data support for program accreditation processes• Data support for state's regulatory Program Review process• Data support of Institutional Programs (i.e., SOAR, First-Year Programs, Mayerson Center)• Limited data support for grants writing
Internal or External Ad Hoc Reporting	<ul style="list-style-type: none">• Freedom of Information Requests• Kentucky Open Door• Requests from Administration and Faculty about student and faculty/staff data. Examples:<ul style="list-style-type: none">• Enrollments by geographic areas for Road-to-NKU• ACT composite and subscores by colleges for 12 years• Experiential learning data by colleges (UG research; co-op/practicum/internships)• Pace and online student enrollment trend reports• Weekly preliminary retention reports for each semester• Demographic and trend data on students and faculty in STEM programs

Planning and Institutional Research

Service Provided

Support Unit	Current Services
<p>Survey Development and Administration</p>	<ul style="list-style-type: none"> • Assist in the development and/or administration of surveys at the institution (multiple times per term) <ul style="list-style-type: none"> • NSSE/ BCSSE • Senior Survey • Destination Survey • SOAR • Service Learning Survey • Commencement Survey • Student Account Services survey • Human Resources Benefits survey • Other A&F customer surveys
<p>Planning and Performance Activities</p>	<ul style="list-style-type: none"> • Coordinate systematic review of institutional mission statement, through implementation of surveys, open forums, stakeholder conferences, and Board presentations • Coordinate development of the university strategic plan to ensure broad participation through surveys, faculty/staff workgroups, open forums, leadership conferences, SWOT analyses • Develop and coordinate processes for divisions, colleges, and major organizational units to create their strategic plans in alignment with the university's plan • Coordinate processes for annual progress reports by divisions, colleges, and major units • Coordinate assessment processes for administrative and support services units; serve as Weave systems administrator and provide training/guidance to units • Develop dashboard metrics on institutional performance and monitor the university's achievement of targets; develop metrics and targets to fit state accountability measures • Conduct policy analysis using institutional, regional, state, and federal benchmarking data to facilitate executive decision-making • Provide analysis of institutional data and benchmarking data to address legislative concerns and support state budgeting efforts



Planning and Institutional Research

Potential Metrics & Evaluation

- Completion of major projects
 - Last Year - Rollout of the new IR reports site; completion of Academic Snapshot; development of datasets for new Budget model
 - This Year - Management Dashboards
 - This Year - Graduate Retention Database.
- Customer Satisfaction Survey
 - 360 degree feedback model, from across levels of the organizational hierarchy
- Timely and Accurate Data Submissions to External State and Federal Stakeholders

Planning and Institutional Research

Future Considerations

- Predictive Modeling
- Structural Equation Modeling
- Performance funding metrics identified by the state
- Graduate student retention/graduation database
- Transfer student retention/graduation database
- Greater details on tracking retention of students who change majors (especially by major clusters, such as pre-majors to majors; and secondary majors, such as education)
- Phase II enhancements to the Management Dashboard and Academic Snapshot

Facilities Management

September 1, 2016



Facilities Management

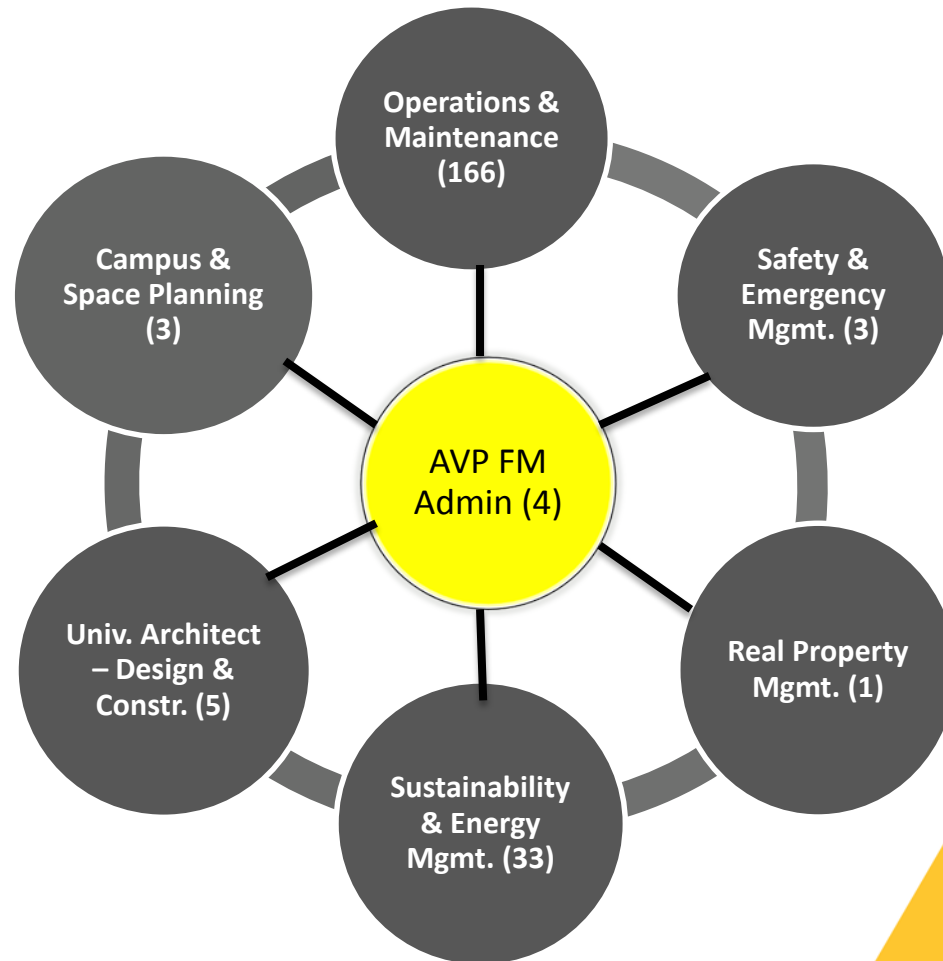
Unit Overview

- **Mission**: The Facilities Management Division is committed to achieving the highest standards for quality service in creating and preserving the university's physical environment. We provide a safe, well-maintained campus that is accessible to all populations. We respond to the needs of the campus community with integrity, commitment, accountability, respect and excellence. We are heavily engaged in efforts to create a sustainable campus and to create a culture that supports sustainability and the protection of the environment. We strive to be a leading edge higher education facilities organization.

Facilities Management

Unit Overview ... continued

- Organizational Structure
(215 FTE)



Facilities Management

Service Provided

Support Unit	Current Services
Campus & Space Planning	<ul style="list-style-type: none"> • Master planning • Space planning and management • Capital plan and budget development • Programming for capital projects • ADAAG monitoring and compliance
University Architect. Design & Const. Mgmt.	<ul style="list-style-type: none"> • Develop, create and monitor design standards • Manage construction projects • Custodian of campus building records and plans including infrastructure
Operations & Maintenance	<ul style="list-style-type: none"> • Preventive and reactive maintenance of existing building structures • Carpentry, Locksmith, and Plumbing Services • Housekeeping and Floor care services (Main Campus & Residence Halls) • Care and upkeep of university roads, grounds and sports fields • Care and custody of university vehicles

Facilities Management

Service Provided ... continued

Support Unit	Current Services
Sustainability & Energy Mgmt.	<ul style="list-style-type: none">• Operate power plant to efficiently provide steam and chilled water to campus• Maintain and repair of all electrical equipment and infrastructure• Maintain and repair of all heating, cooling, refrigeration and ventilation systems• Energy management• Lead the sustainability planning process and support initiatives to move toward carbon neutrality• Provide sustainability programming and education to the campus and community
Safety & Emergency Mgmt.	<ul style="list-style-type: none">• Develop, update and maintain emergency operations plan• Train and prepare various teams to respond effectively in times of emergency• Ensure compliance of statutory and regulatory policies etc. related to safety• Ensure all systems intended for fire protection and safety are operational and well maintained• Assist departments with training, disposal of hazardous waste and other safety related issues
Real Property Mgmt.	<ul style="list-style-type: none">• Oversee strategic real property acquisition in alignment with NKU's acquisition plan• Acquire, maintain and manage housing units utilized as rental properties• Develop necessary policies and procedures for rental properties• Assist with acquisition, disposal and/or leasing of real property• Foster and build relationships between Highland Heights residents and the university

Facilities Management

Potential Metrics & Evaluation

	<u>FY15</u>
Facility Mgmt. Expense \$/GSF (w/utilities)	\$5.91
Total energy use kBTU/GSF	101.4
Facility Mgmt. Expense \$/FTE (Students)	\$1,750
Preventive Maint. Work Orders vs Reactive	45%
Custodial Cost \$/GSF	\$1.20
Maintenance Cost \$/GSF	\$1.20
Grounds Cost per Acre	\$5,730
Total Capital Construction /Yr.	\$ 30 Million

Note: *These are some metrics commonly used in Higher Education – Other benchmarks can also be used.*



Facilities Management

Future Considerations

- The single biggest concern is lack of capital funding available to ensure asset preservation (growing back log of deferred needs)
- Changing demographics, pedagogy and technology are creating uncertainty about the physical “Campus of the Future”
- Redefine physical space parameters for academic, athletic, residential, and other support needs

Office of Information Technology

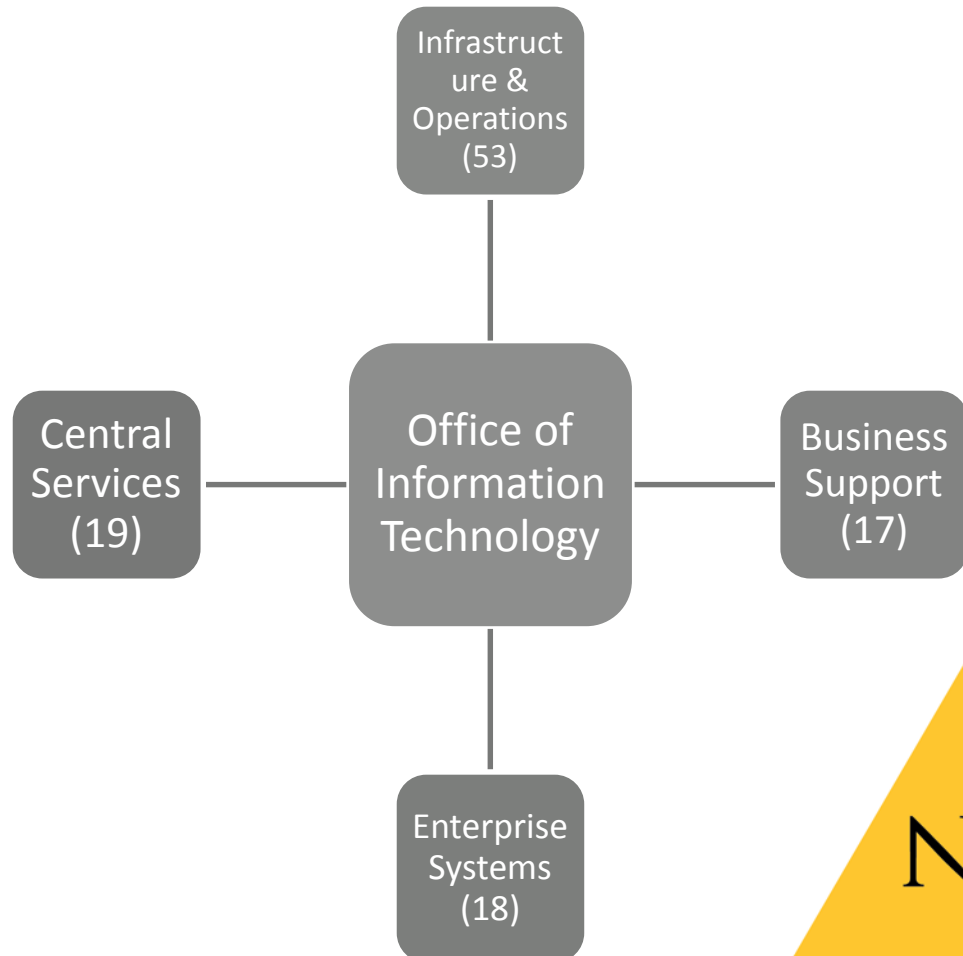
September 1, 2016



Information Technology

Unit Overview

The mission of OIT, in support of the strategic goals of the university, is to provide the highest-quality service delivery through innovative and efficient technology for students, faculty, staff and the community.



Information Technology

Services Provided

Category	Current Services	Division
Accounts & Passwords	<ul style="list-style-type: none"> • Directory information • Accounts • Managing passwords 	<ul style="list-style-type: none"> • Server • SAP BASIS • Security
Audio & Video	<ul style="list-style-type: none"> • Event Support • Design & consultations • AV Equipment checkout • Records 	<ul style="list-style-type: none"> • Smart Classroom • Media Services
Business Analytics	<ul style="list-style-type: none"> • Data integration services • Reports for audit, human resources, finance, student lifecycle, IT Service Level Agreements, training 	<ul style="list-style-type: none"> • Enterprise Services • Business Systems • Training • Central

Information Technology

Services Provided

Category	Current Services	Division
Business Systems	<ul style="list-style-type: none"> • Business application services, support & training • License server management • myNKU services, support & training 	<ul style="list-style-type: none"> • Enterprise Services • Business Systems • Training • Server
Smart Classroom Support	<ul style="list-style-type: none"> • Classroom computer images • Smart classroom equipment checkout • Support • Consulting & design 	<ul style="list-style-type: none"> • Smart Classroom
Central Services	<ul style="list-style-type: none"> • Computer replacement • Disaster recovery planning • Program management • Project management • Consulting & engagement 	<ul style="list-style-type: none"> • Central • Desktop Support • Server

Information Technology

Services Provided

Category	Current Services	Division
Computer Labs & Printing	<ul style="list-style-type: none"> • Computer labs • Lab software request • Pay for print & specialty printing for students • Print support • Virtual labs & thin clients 	<ul style="list-style-type: none"> • Desktop support • Server • IT Help Desk • Norse Tech Bar
Data Center	<ul style="list-style-type: none"> • File storage • Data center & servers 	<ul style="list-style-type: none"> • Server • Networking • IT Help Desk
Email & Communications	<ul style="list-style-type: none"> • Administration of NKU email • Email user support • Instant messaging • Digital signage 	<ul style="list-style-type: none"> • Desktop Support • IT Help Desk • Norse Tech Bar • Server

Information Technology

Services Provided

Category	Current Services	Division
Network	<ul style="list-style-type: none"> • Data cabling • Hot spots • Network design & security • Residential housing • Wired & wireless 	<ul style="list-style-type: none"> • Network
Phone & Collaboration	<ul style="list-style-type: none"> • Audio conferencing • Cable TV • Cellular • Phone • Fax • Video/Online conferencing 	<ul style="list-style-type: none"> • Networking • Central • Server
Security	<ul style="list-style-type: none"> • Accounts & passwords • Computer • Data Center • Email • Network 	<ul style="list-style-type: none"> • Security • Server • Network • Desktop Support

Information Technology

Services Provided

Category	Current Services	Division
Software	<ul style="list-style-type: none"> • Desktop support software • Software catalog • Software purchasing • Software requests 	<ul style="list-style-type: none"> • Desktop Support • IT Help Desk • Central
Support & Training	<ul style="list-style-type: none"> • IT Help Desk & Norse Tech Bar • Computer imaging, repair, installation & setup • Hardware support • Operations • Training & documentation support 	<ul style="list-style-type: none"> • IT Help Desk • Norse Tech Bar • Training
Web & Mobile	<ul style="list-style-type: none"> • Administrative web services • Content management system development & support • Mobile application development & support • Web application development & support 	<ul style="list-style-type: none"> • Enterprise Systems

Information Technology

Potential Metrics & Evaluation

- Service Level Agreements
 - IT Help Desk
 - Define IT Help Desk and user responsibilities associated with requests for service. Provides defined service request severity levels with associated IT Help Desk response times (e.g. first contact resolution, response rates).
 - Norse Tech Bar
 - Defines Norse Tech Bar and user responsibilities associated with requests for service.

Information Technology

Potential Metrics & Evaluation

- Service Level Agreements (cont.)
 - Network Uptime
 - Defines the required uptime of network services to NKU (e.g. Internet access >99%).
 - Business Systems Uptime
 - Defines the required uptime for critical business systems and applications (e.g. myNKU, email).
 - Customer Notification for Scheduled Maintenance
 - Required communication for planned system maintenance to affected customers in a timely manner and through a channel deemed most appropriate to those affected.

Information Technology

Potential Metrics & Evaluation

- Desktops/Laptops supported per IT FTE
- Help Desk contacts per IT FTE
- Network devices supported per IT FTE
- Amount of data supported by IT FTE

Information Technology

Key Drivers – (Educause)

FIGURE 1. Themes of the 2016 Top 10 IT Issues

DIFFERENTIATE

- 2: Optimizing educational technology
- 3: Student success technologies
- 7: BI and analytics
- 10: E-learning and online education

REINVEST

- 1: Information security
- 4: IT workforce hiring and retention
- 6: IT funding
- 9: IT organizational development

DIVEST

- 5: Institutional data management
- 8: Enterprise application integration

Information Technology

Future NKU Considerations

- Keeping technology current is biggest concern
 - Examples: Desktop Replacement, Smart Classrooms, Griffin Hall/Digitorium
- Leveraging technology to grow online enrollment and retention is best opportunity
- Cloud expansion and software analyzed on a case-by-case basis to determine benefits and tradeoffs is best innovation
- Security threats due to phishing, hacking, and data breach is biggest threat

SVP Administration & Finance

September 1, 2016



SVP Administration & Finance

Unit Overview

Who we are: Office of the Senior Vice President – Business Operations and Auxiliary Services, Facilities Management, Finance (Budget and Comptroller’s Offices), Human Resources, Information Technology, Planning and Institutional Research

Mission: We provide quality services through ethical stewardship and proficient management of NKU’s financial, human, information, data, technology, and physical resources.

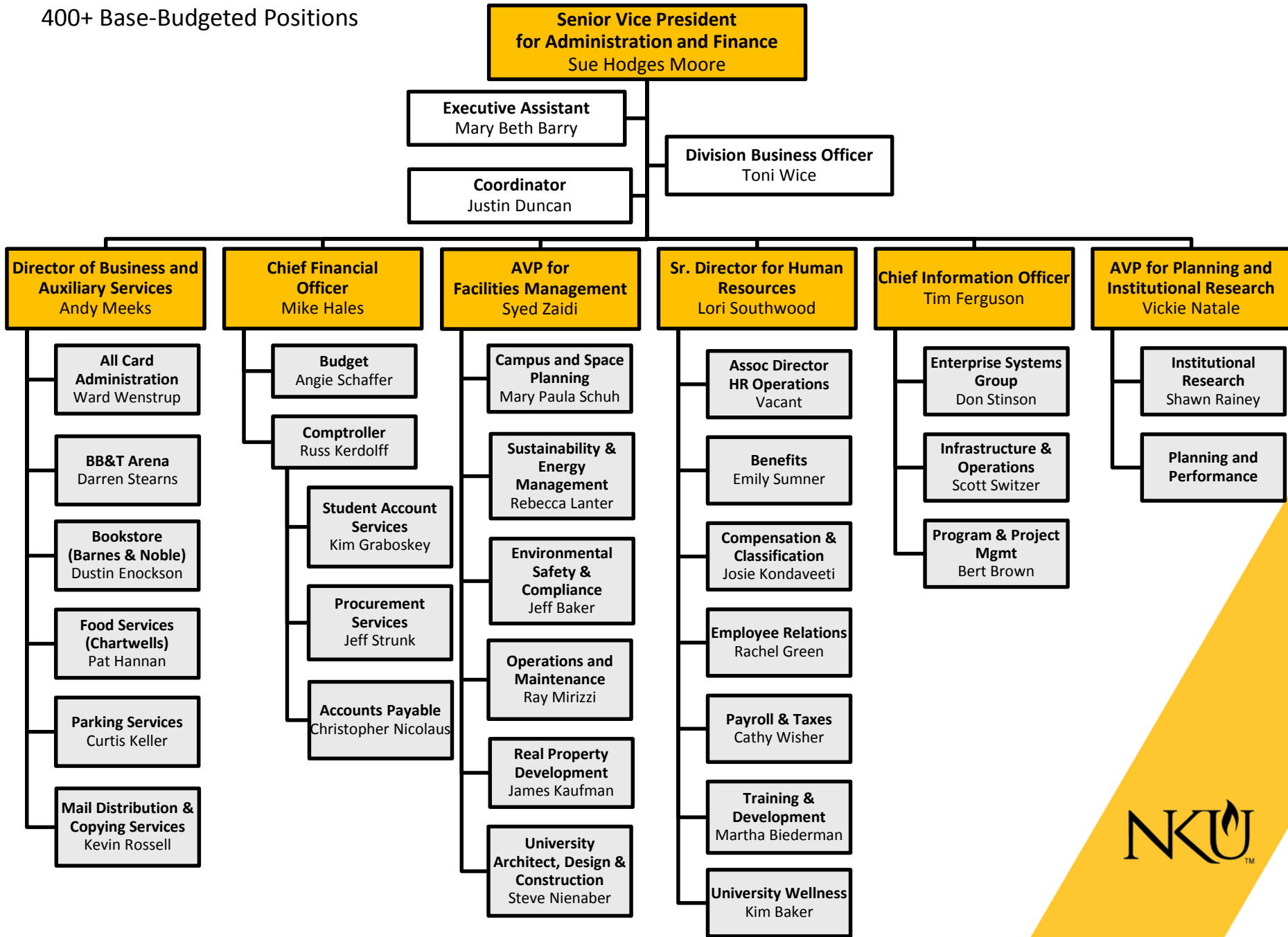
Vision: We will be exemplary providers of the highest quality fiscal and administrative services aligned with the mission and goals of the University.

Values: Ethical Responsibility, Service Excellence, and Servant Leadership

We Promise: To put students first and provide excellent customer service.



400+ Base-Budgeted Positions



SVP Administration & Finance

Service Provided

Areas of Work	Current Services
Divisional Administrative & Operational Support	<ul style="list-style-type: none">• Lead and support all units within the division in accomplishing their goals and missions in serving the University• Provide planning and assessment support and oversight• Provide budget development and financial management support and oversight• Provide personnel management support and oversight• Publish a periodic division newsletter
Organizational Development/ Effectiveness	<ul style="list-style-type: none">• Provide leadership for university-wide organizational development and change initiatives• Work with Executive Team and Human Resources to establish staff/administrator professional and leadership development programs that improve organizational effectiveness• Ensure that NKU capitalizes on the best practice research, toolkits, and services provided by the Education Advisory Board• Compile and review an inventory of existing standing and ad hoc committees, and make changes that reduce redundancy, ensure cross-divisional collaboration, improve efficiency, and align with Fuel the Flame

SVP Administration & Finance

Service Provided

Areas of Work	Current Services
Enterprise Risk Management	<ul style="list-style-type: none"> • Coordinate institutional risk assessment activities • Coordinate periodic updates to the Board of Regents • Coordinate cross-divisional collaboration and work with senior administrators who are responsible for managing risks
Policy Management	<ul style="list-style-type: none"> • Manage the University's policy development, promulgation, and maintenance functions • Provide a central repository for all University policies in collaboration with the President's Office, Legal Affairs, and other divisions and offices • Maintain policy.nku.edu, a web portal available on the quick links section of NKU Homepage under Faculty/Staff
Support Culture of Campus Transparency	<ul style="list-style-type: none"> • Engage with Faculty Senate Budget Committee • Meet periodically with Academic Council, Council of Chairs, Faculty Senate, and Student Government Association • Regularly attend monthly Staff Congress meetings • Cultivate and maintain collaborative relationships with Highland Heights city officials and other community members

SVP Administration & Finance

Service Provided

Areas of Work	Current Services
<p>Presidential/ Executive Support</p>	<ul style="list-style-type: none"> • Plan and coordinate the President’s annual leadership planning retreat • Assist with developing select presidential presentations, primarily focused on financial and strategic planning issues • Upon the President’s appointment, serve as chair for university-wide projects, committees, and searches (NCAA IPP; strategic planning process; provost search) • Serve as division or administration representative on university-wide committees • Work to ensure that the University’s planning, budget, and institutional research functions are well integrated and aligned
<p>The Council on Postsecondary Education</p>	<ul style="list-style-type: none"> • Serve as the University’s liaison to the Council on Postsecondary Education (CPE) on non-academic policy initiatives impacting the University • Help ensure that the CPE’s funding model is outcomes-based and addresses funding disparities among the comprehensive universities • Help keep President informed of high profile issues; help ensure well-coordinated and well-informed communications related to CPE-related activities • Represent the University on committees charged with developing the strategic agenda and accountability system

SVP Administration & Finance

Potential Metrics & Evaluation

- Annual Customer Survey
- Satisfactory response/turnaround times (examples)
 - Documents submitted for SVP signature
 - Universal workflow and PeopleAdmin approvals
 - Policy administration
 - Annual processes/projects completed on time and coordinated within the division
- Implementation of the Facilities & Sustainability, Financial Resources, Human & Organizational Development, and Technology plans from the Fuel the Flame strategic planning process; ability to stay on track with initiatives and reporting
- Effective maintenance of university policies
- Effective development and communication of appropriate enterprise-wide risk treatment plans
- Effective relationships with CPE
- Effective relationships with City of Highland Heights officials

SVP Administration & Finance

Future Considerations

- Declining ability to support the University's core mission and strategic goals and to provide outstanding customer service.
- Technology services and equipment replacement
- Deferred maintenance
- External mandates and regulatory requirements that divert staff resources away from campus needs
- Difficulty for departments to absorb inflationary increases due to static and declining departmental budgets
 - Catering
 - Parking
- Staff and faculty morale due to lack of compensation increases and increased workload in some areas

Office of the President

September 1, 2016

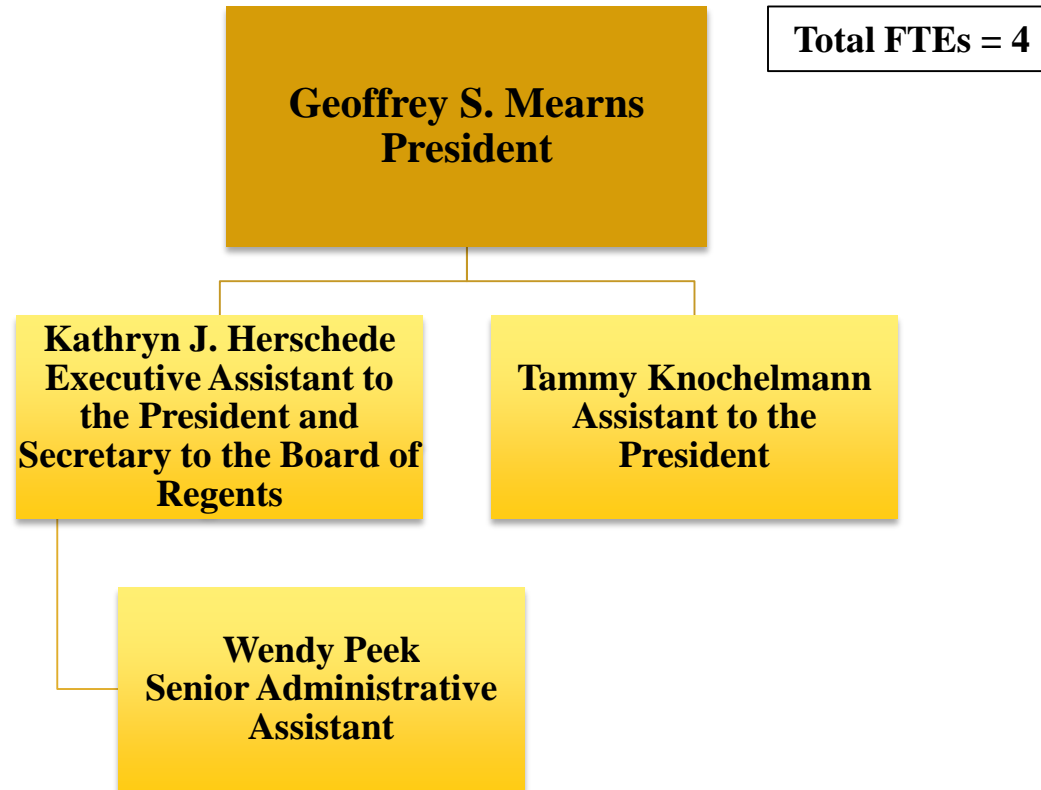


OOP

Unit Overview

- **Who we are:** President's Office
- **Mission:** Provide overall leadership and oversee general operations of the university.

OOP



OOP

Service Provided

Support Unit	Current Services
Board of Regents	<ul style="list-style-type: none">• Contracted External Audit Services, including NCAA, Federal Audit, NKURF, WNKU, and Agency audits• Board conference fees, including AGB and semi-annual Governor's Conference on Postsecondary Education• Board travel and lodging• Board meeting materials• Board reference books
Faculty Athletics Rep	<ul style="list-style-type: none">• Travel• Summer stipend
Contingency	<ul style="list-style-type: none">• Road2NKU, ACE Fellows Program, Governor's Scholars, and other major University priorities

OOP

Service Provided

Support Unit	Current Services
Institutional Memberships	<ul style="list-style-type: none"><li data-bbox="446 539 1734 676">• Sponsorship of campus-wide memberships including, SACS, ACE, NKCES, NKY Education Council, AASCU, College Board, local Chambers of Commerce, etc.

OOP

Potential Metrics & Evaluation

- N/A

OOP

Future Considerations

- Unforeseen campus emergencies
- New University priorities

Break

September 1, 2016



Athletics

September 1, 2016



Athletics

Unit Overview

- Mission
 - The mission of NKU Athletics is to advance the University's vision while focusing on the well-being of our student-athletes as we prepare and empower each of them for academic and competitive success at NKU and beyond
- Core Values of Strategic Plan
 - Integrity
 - Student-Athlete Well-Being
 - Excellence
 - Inclusiveness
 - University Engagement
 - Community Interaction

Athletics

NCAA Overview

- August 4, 2016 the NCAA Division I Board of Directors granted NKU active status as a Division I institution
- NCAA Division I Requirements
 - Required to sponsor a minimum of 14 sport programs
 - Required to provide a minimum level of financial assistance to student-athletes
 - All sports are required to participate in a minimum number of contests against Division I institutions
 - Must file reports of financial aid, competition and participation, and reports of ethnicity of student-athletes and athletic department
 - All teams must maintain an Academic Progress Rate of 930+ (eligibility and retention)
 - NCAA membership requires all institutions to provide academic counseling and tutoring services to student-athletes
 - NCAA membership requires each institution to conduct a life skills program on campus for student-athletes

Athletics

Staffing Overview

Athletics employs 21 full-time professional staff, 25 full-time coaches (head and assistant), four part-time coaches (assistants), and nine graduate assistants

- Office of the Director of Athletics (2 FTE)
- Business and Finance (2 FTE)
- Compliance (2 FTE)
- Academic Services (2 FTE, GA)
- Facilities/Event Operations (2 FTE, GA)
- Marketing, Promotions and Ticketing (3 FTE, GA)
- Development (2 FTE, GA)
- Communications (3 FTE, GA)
- Strength and Conditioning (3 FTE)
- Sport Programs: Nine women's and eight men's (25 FTE, 4 PT, 3 GA)
- Sports Medicine – Partnership with St. Elizabeth (6 FTE, GA and Intern)
- Spirit Squad Coordinators (2 PT)

Athletics

Service Provided

Support Unit	Current Services
Academic Services	<p>Academic Services is a comprehensive operation of academic support and monitoring, tutoring, and initial and continuing eligibility assessment; all which serve to assist the student-athletes to make timely and satisfactory progress toward their degree. The Athletics Academic Services area provides support resources to student-athletes to assure they meet applicable Division I academic standards, earn their desired degree, and provide post-graduate guidance in the areas of graduate programs and professional development</p> <ul style="list-style-type: none">• Monitor student-athlete progress towards degree• Advising students through major choice/changes• Coordination/communication with college advisors• Work with registrar's office to determine degree applicability• Assist with NCAA certification of student-athletes• Coordinate and supervise study tables• Student-athlete grade checks• Recognition of Student-athlete academic achievements• Provide individualized assistance to academically at-risk student-athletes
Marketing, Promotions and Ticketing	<p>Marketing, Promotions & Ticketing is responsible for creating and implementing plans that are designed to increase awareness and interest in the Department of Athletics and university, as well as generate revenue through ticket sales to fund operations</p> <ul style="list-style-type: none">• Plan, create, and execute all promotional elements of athletic events• Develop and implement marketing plans• Sell season, group, and individual tickets to all athletic events to drive revenue• Develop and execute social media marketing strategies including electronic mail, Facebook and Twitter• Determine appropriate budget expenditures and allocations relative to the implementation of marketing plans• Collaborate with community groups, campus organizations, and student population to promote events and increase involvement

Athletics

Service Provided

Support Unit	Current Services
Compliance	<p>The Compliance unit ensures the University complies with all NCAA and Horizon League regulations through monitoring, education, and reporting</p> <ul style="list-style-type: none">• Provide education for student-athletes, coaches, staff, boosters, donors, alumni, prospective student-athletes and parents regarding NCAA and Horizon League rules• Monitor recruiting activities (calls, travel, contacts, playing seasons, countable athletically related activities, financial aid, academic eligibility, amateurism, employment, outside competition, awards and benefits) and complete required NCAA annual forms• Interpretation of NCAA and Horizon League Rules for all constituents• Conduct investigations into possible violations and self-report when necessary• Life Skills<ul style="list-style-type: none">• Career development• Education and training related to alcohol, drugs, sexual misconduct, nutrition, and financial fitness• Community Outreach- while not an NCAA requirement, community outreach is an important part of our strategic plan and student-athlete development
Development	<p>Through philanthropic strategies and best practices, the Athletics Development unit works to enhance the profile of Northern Kentucky Athletics by means of annual support, major gift solicitation, community engagement, and alumni outreach</p> <ul style="list-style-type: none">• Identify, solicit, and cultivate benefactors for endowed, capital, and planned gifts for athletics• Develop new sources for fundraising and revenue, including increases in annual giving from current donors and future prospects• Continue to develop and assess a Top 50 list of donor prospects• Work in coordination and collaboratively with University Development staff regarding identification, stewardship and proposal development• Implement alumni engagement opportunities for sport specific funding support• Cultivate and enhance relationships with members and prospective members of the Go Norse Fund Board, the philanthropic advisory board of Northern Kentucky University Athletics



Athletics

Service Provided

Support Unit	Current Services
Communications	<p>The Athletic Communications department is responsible for developing and executing communication strategies to NKU's external constituents</p> <ul style="list-style-type: none">• Develop, implement, and oversee short and long-term communications strategies designed to enhance overall campus support of athletics as well as positively position the athletics department to the public• Oversight of Department of Athletics Website, including maintenance, content, design and updates• Responsible for video production and live broadcasts• Ensure the facilitation of game day coverage including, but not limited to, press releases, producing game notes, servicing the on-site media, compiling statistics and reporting results to the media• Travel with designated teams, serving as the information contact as necessary and appropriate• Establish, cultivate and maintain effective working relationships with members of the media to generate stories that highlight the significant achievements of the Department of Athletics and its programs/students• Work closely with the University Office of Marketing and Communication to ensure consistent use of University identity/brand identity• Develop and maintain career/season records and statistics for all sports programs and student-athletes
Sports Medicine	<ul style="list-style-type: none">• Evaluation, treatment and rehabilitation of injuries to student-athletes as directed by the Medical Director• Maintain accurate student-athlete medical records• Prepare student-athletes for practices and games• Provide sports medicine coverage at practices and home events as directed by the Medical Director and NCAA and Horizon League regulations• Coordinate NKU and NCAA student-wellness initiatives

Athletics

Potential Metrics & Evaluation

The Department of Athletics supports the goals and objectives as set in the University's strategic plan - Fuel the Flame

Goal: Student Success

- Initial eligibility
 - Recruit student-athletes that meet NCAA initial eligibility standards and university admission standards
- Continuing eligibility
 - Support student-athletes academic success to ensure they maintain their eligibility throughout their career
- Graduation Success Rate
 - Maintain a GSR that is higher than the national average for Division I-AAA institutions
 - Federal Graduation Rate of student athletes for 2009-2010 = 63%
- Academic Progress Rate (Combination of on-going eligibility and retention)
 - Track eligibility and retention of student-athletes on athletics scholarship
 - Meet or exceed the minimum APR rate in all sports
 - Eligibility Rate for scholarship student-athletes = 97.4%
 - Retention Rate for scholarship student-athletes = 98.6%
 - Retention Rate for all student-athletes = 92.5%



Athletics

Potential Metrics & Evaluation

Goal: Talent Development

- Life Skills programming
 - Provide student-athletes with opportunities to grow on a personal and social level
 - Provide student-athletes with opportunities to develop leadership skills
 - Provide student-athletes with assistance in career development

Goal: Community Engagement

- Promote student-athlete participation in community service initiatives
 - Set a goal for number of community service hours for each sport program
 - Support Horizon League and NCAA initiatives
 - 2,700 community service hours during the 2015-16 academic year
- Schedule speaking engagements for coaches, staff and student-athletes
- Increase attendance at home events
- Develop friend raising/fundraising events
- Create partnerships with local companies that generate additional revenue and/or reduce expenses (i.e. partnership with St. Elizabeth Hospital)

Athletics

Potential Metrics & Evaluation

Goal: Institutional Excellence

- Public Awareness
 - Achieve athletic success (Horizon League Championships, NCAA championship appearances) in order to increase local, regional and national publicity for the university
 - Coaches, staff, and student-athletes are engaged in community activities
- New Resources
 - Through athletic success we will increase local, regional and national publicity for the university, which will lead to an increase in number of students applying and enrolling at NKU
 - Capitalize on athletic success to increase philanthropic giving to athletics and the university
 - Create partnerships with local companies that generate additional revenue and/or reduce expenses (i.e. partnership with St. Elizabeth Hospital)
- Facilities and Environment
 - Develop plans to maintain and enhance current athletic facilities
 - Develop plans to construct new athletics facilities

Athletics

Future Considerations

- Maintaining and growing operating budgets for sport programs in order to provide them with the opportunity to achieve academic and athletic success, and to ensure student-athlete well-being
- Enhancement of facilities is vitally important to recruit the level of student-athlete that can successfully compete at the Division I level
- Recruiting and retaining successful coaches is dependent on ability to offer competitive compensation packages
- NCAA and/or Horizon League mandates that require additional funds (i.e. cost of attendance requirement)

University Advancement

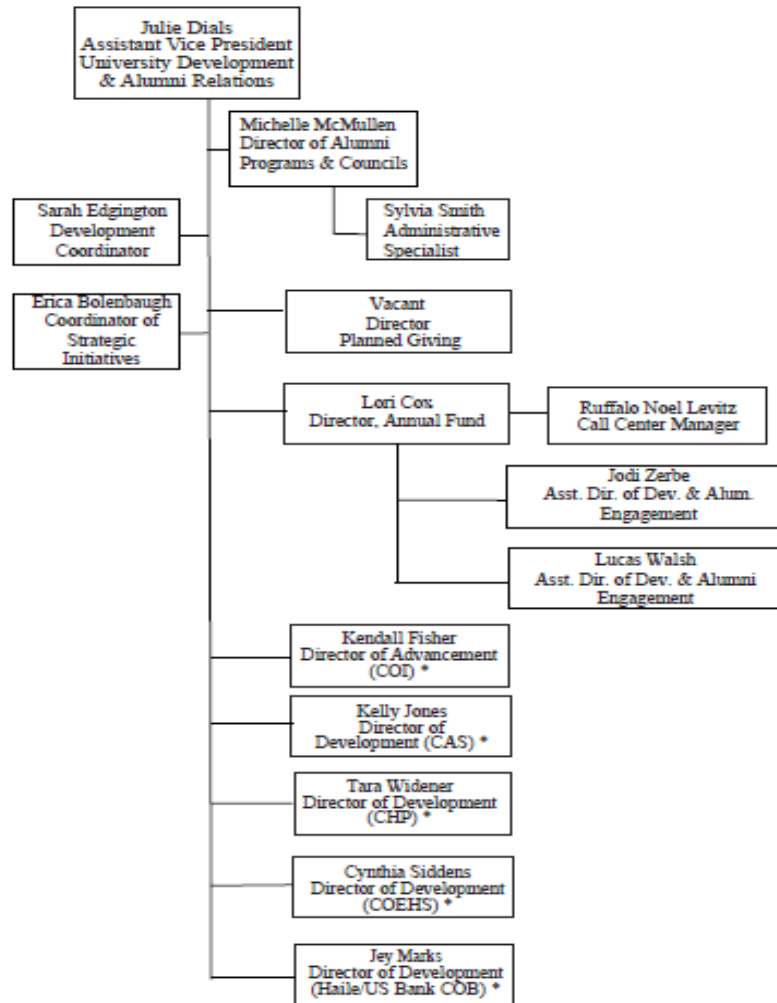


Development & Alumni Relations

September 1, 2016



Development & Alumni Relations Organizational Chart



DAR

Service Provided

Support Unit	Current Services
Alumni Relations	<ul style="list-style-type: none">• Engage alumni with the life of the university through various boards and councils• Oversee volunteer boards: Alumni Board of Directors, Young Alumni Council, Black Alumni Council, Haile/US Bank Foundation COB Alumni Council, College of Informatics Alumni Council, and Student Alumni Council• Organize corporate alumni receptions• Alumni Awards Celebrations and Dinner
Annual Giving	<ul style="list-style-type: none">• Focus on gifts under \$25,000 for unrestricted unit funds using direct mail, email, phone, and face-to-face• Fund for Excellence• Phonathon (Ruffalo Noel Levitz)• Impact NKU (crowdfunding platform)• Discovery program – focused on identifying major gift prospects (\$25k and above) and leadership annual giving
Development	<ul style="list-style-type: none">• Unit and central based development officers focused on identifying, cultivating, soliciting, and stewarding donors who have made or have the capacity to make gifts of \$25,000 and above

DAR

Potential Metrics & Evaluation

- Private resources committed
- Dollars raised
- # of gifts
- Alumni engagement - participation and attendance
- New prospects identified
- Activity - # of face-to-face visits, proposals delivered, proposals accepted

DAR

Future Considerations

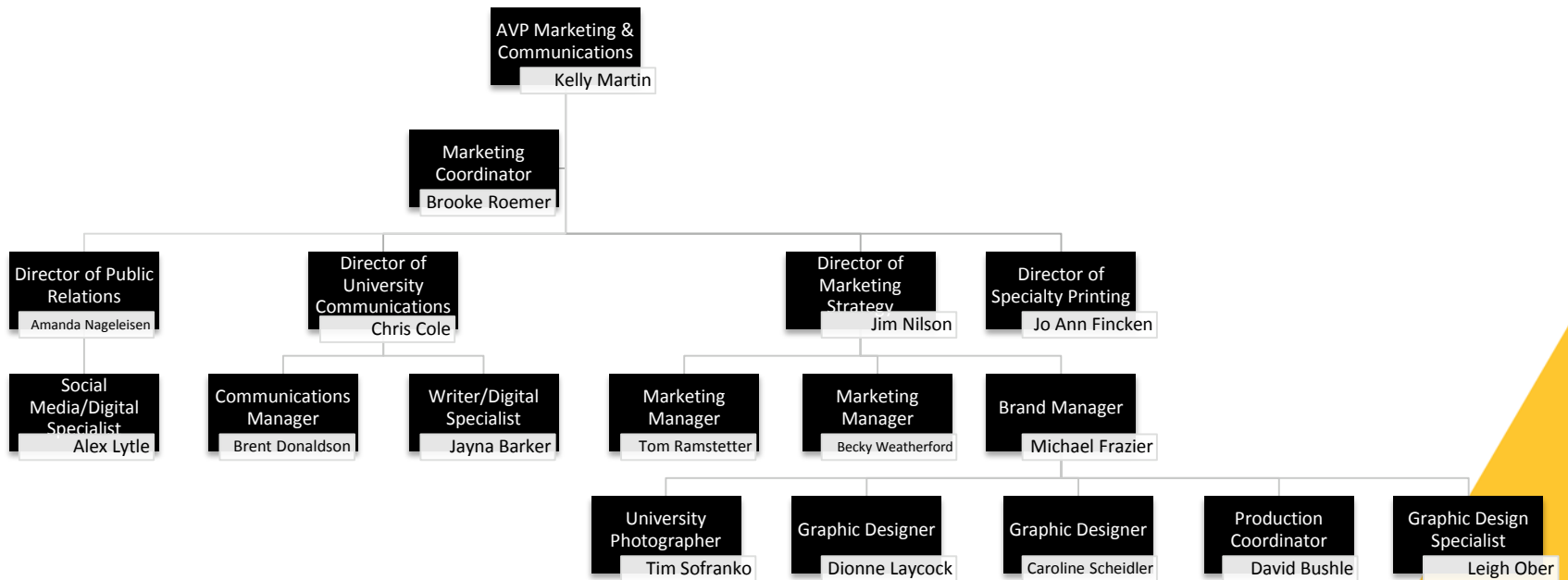
- Recently completed campaign feasibility study, beginning actions to undertake a comprehensive fundraising campaign
- Alumni office is under staffed (1 FTE and Admin support) for over 55,000 alumni
- Currently, not a dedicated position for planned giving
- Current Ruffalo Noel Levitz contract is being paid from department reserves – dedicated resources have not been identified for FY18

Marketing & Communications

September 1, 2016



Marketing & Communications Organizational Chart



Marketing & Communications

Service Provided

Support Unit	Current Services
Marketing Strategy	<ul style="list-style-type: none"> Partner with key stakeholders and organizational units to address organizational opportunities including (but not limited to): Admissions & Enrollment (including Undergraduate, Multi-Cultural, Transfer, International, Graduate, PACE/Online), Alumni & Development, Campus Recreation Center, each individual college, Athletics, and the NKU Bookstore.
Design & Advertising	<ul style="list-style-type: none"> Graphic design services – including print and digital – for all NKU related propaganda. Digital advertising including search engine marketing (both general terms and program-specific), digital display, YouTube and streaming radio Social media advertising on Facebook, Twitter, and Instagram Outdoor (poster and digital) Traditional radio, print, television (when applicable) Photography
Licensing & Merchandising	<ul style="list-style-type: none"> In partnership with Learfield Licensing Partners, seek new retail locations (both in person and online) to carry NKU products. Promote retailers to drive sales of NKU products; NKU receives royalty payments from these sales. Regularly approve licensing requests and use of University trademarks.

Marketing & Communications

Service Provided

Support Unit	Current Services
Internal Communications	<ul style="list-style-type: none">• Provide a consistent voice to all internal constituents.• Coordinate one campus calendar for ease of use to find (and attend) events on campus.• Champion the University promise to ensure we not only say what we do, but we do what we say, underscoring the importance of the <i>experience</i> people have with us.• Speech writing and executive communication support (including commencement and convocation).• NKU Magazine publishes twice per year for all NKU stakeholders.• Inside NKU stories to showcase all of students, faculty, staff, alumni and community members.• This Week weekly e-newsletter to inform faculty and staff of campus notifications.• Maintain and deliver a regular schedule of e-communications with key stakeholders.
External Communications	<ul style="list-style-type: none">• Provide a consistent voice to all external constituents.• Design and general overview (working with IT) of nku.edu and associated sites.• Proactive and reactive public relations and brand management with the media and key stakeholder groups.• Regular social media communication via Facebook, Twitter, Instagram, SnapChat, and YouTube.• Deliver innovative ways to communicate with key stakeholder groups (i.e. podcasts, live streaming, etc.)• Interactive campus map with guided video tours.
Specialty Printing Coordination	<ul style="list-style-type: none">• Receive and deliver on orders for specialty printing utilizing printing partners under contract as required by state law.• Assure adherence to brand guidelines on all specialty printing orders.• Deliver outstanding and timely customer service to all University clients.

Marketing & Communications

Potential Metrics & Evaluation

- Increase in earned media mentions
- Click through rates on digital advertising
- Calls to action completed through advertising and communication efforts
 - i.e. Registration for campus visits directly from ads for the same
- Increase in engagement on social media
- Event attendance
 - i.e. Identified athletics events, SOTA events, Sam Q

Marketing & Communications

Potential Metrics & Evaluation

- 684 downloads of *Ask NKU* podcast in the first 3 months
- 171% YOY increase in design projects completed
- 125% increase in engaged users on Facebook
- 11.5K Twitter followers (@nkuedu)
- 250+ digital signs created
- 845 NKU calendar events published during the first five months
- 12K+ media hits in FY16, a 13% YOY increase
- 110 press releases issued
- 23.9M Page views

Marketing & Communications

Future Considerations

- Our advertising budget is considerably smaller than those of comparable competitors.
- The 50th anniversary will require us to increase our visibility, which will require additional investment. Some of this investment will need to begin in the 2016-17 FY for planning/preparation purposes.
- Videography services are currently outsourced; an additional FTE (Videographer) would allow us to save money and produce exponentially more videos to meet the demand of our demographic.
 - NKU spends approximately \$50-80K annually on videography (outsourced).
- Successful licensing programs require a full time focus by one employee. As NKU continues to grow in visibility, we will need to grow our retail presence while defending/securing our trademarks.
 - UC: 1.5 FTE's; Appalachian State: 1 FTE; Miami: 1.5 FTE's; XU: 0.5 FTE

Advancement Services, Donor Relations, Government, Corporate, & Foundation Engagement

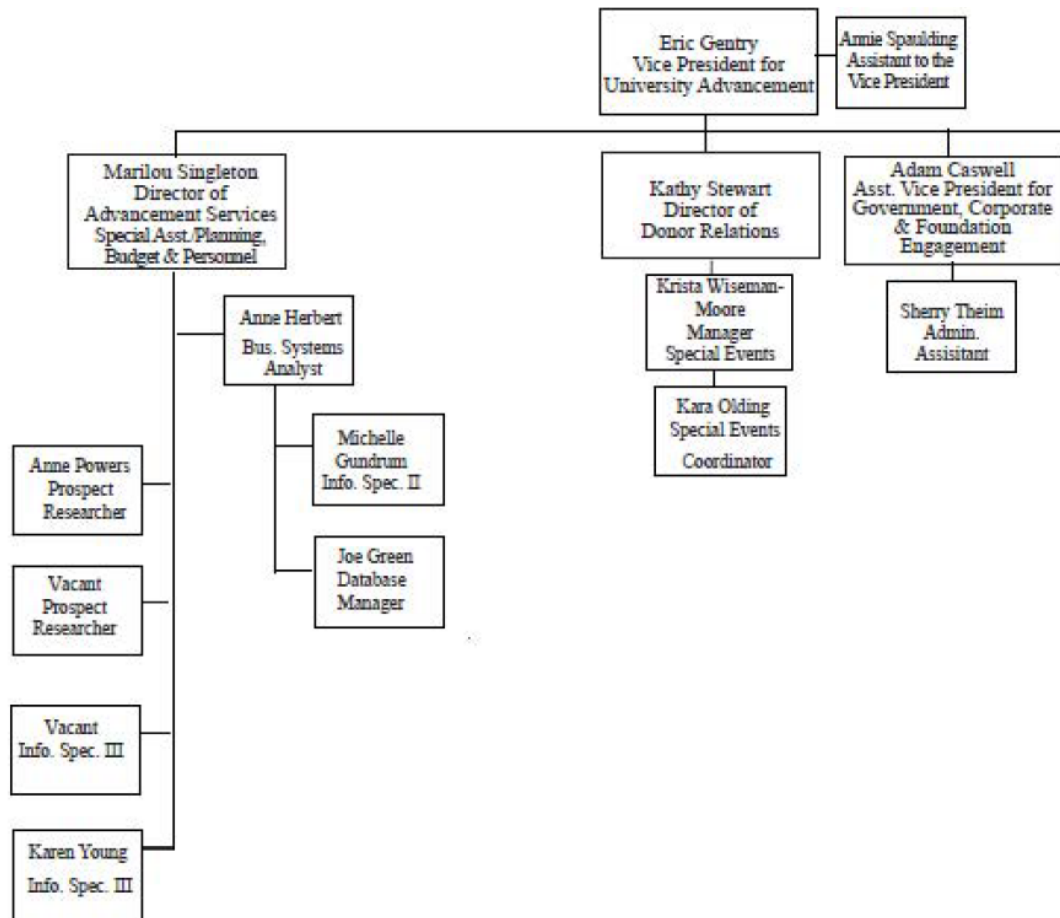
September 1, 2016



Unit Overview

- Advancement Services
- Donor Relations
- GCFE

Organizational Chart



Advancement Services

Service Provided

Support Unit	Current Services
Advancement Services	<ul style="list-style-type: none">• Provide data collection, analysis, and reporting services to support decision-making• Process gift transactions, produces donor receipts, gift invoices and acknowledgment letters for private gifts• Provide research to identify prospective donors• Support annual fund solicitations through data extracts• Processes email correspondence with alumni and donors and targeted friends of the university

Advancement Services

Potential Metrics & Evaluation

- Gifts processed and acknowledged
- Prospects identified
- Emails delivered

Donor Relations

Service Provided

Support Unit	Current Services
Special Events	<ul style="list-style-type: none">• Coordinates and produce special events• Prepare communications that recognize, thank, congratulate, and celebrate special people and moments in the life of the University• Partner with community groups to produce public interest events such as political debates and forums
Cultivation	<ul style="list-style-type: none">• Support and cultivate enduring relationships with University donors, NKU faculty, staff, students, alumni, the Northern Kentucky community, and our broader metropolitan region• Responsible, in coordination with the Office of University Development and Alumni Relations, for coordinating donor recognition and stewardship efforts for the president

Donor Relations

Potential Metrics & Evaluation

- Event attendance
- Gifts made after event attendance
- Strategic stewardship and increased giving after stewardship engagement
- Increased donor retention #s

Government, Corporate, & Foundation Engagement

Service Provided

Support Unit	Current Services
GCFE	<ul style="list-style-type: none">• Primary liaison with city, county, regional, state, and federal government agencies and corporations and foundations to fulfill the mission and vision of the Northern Kentucky University Fuel the Flame Strategic Plan.• Through direct and indirect contacts with public, business and community officials, as well as through relationships with local, state and national community and educational organizations, the office coordinates the representation of our students, faculty, and staff.• University front door for coordinated corporate engagement• Work with regional economic development offices to coordinate NKU's approach to economic development

Government, Corporate, & Foundation Engagement

Potential Metrics & Evaluation

- Increase in state support for NKU
- Increased partnerships and investment from the corporate community

Future Considerations

- GCFE strategic efforts have been aligned with government relations. A significant deficit in corporate relations.
- Donor relations office is evolving from a event planning and execution function to a strategic donor engagement function. Historical communication, stewardship and reporting to donors has been neglected.
- The Advancement Division does not have a dedicated budget position. It is 25% of one individual's current duties. This is not sufficient for our current budget nor will it be sufficient moving to a new budget model.

Office of Inclusive Excellence

September 1 ,2016



Office of Inclusive Excellence

Unit Overview

- **Inclusive Excellence (IE)** is the recognition that NKU's success is dependent on how well it values, engages and includes the rich diversity of identity, perspective, and experience that students, faculty & staff bring to the University.
- Overall goal of IE is to reframe diversity, equity, and inclusion as integral to achieving excellence, to integrate related principles, practices and knowledge into core aspects of the university, and to cultivate an appreciation that IE enhances existing programs, initiatives, curriculum, and teaching

Office of Inclusive Excellence

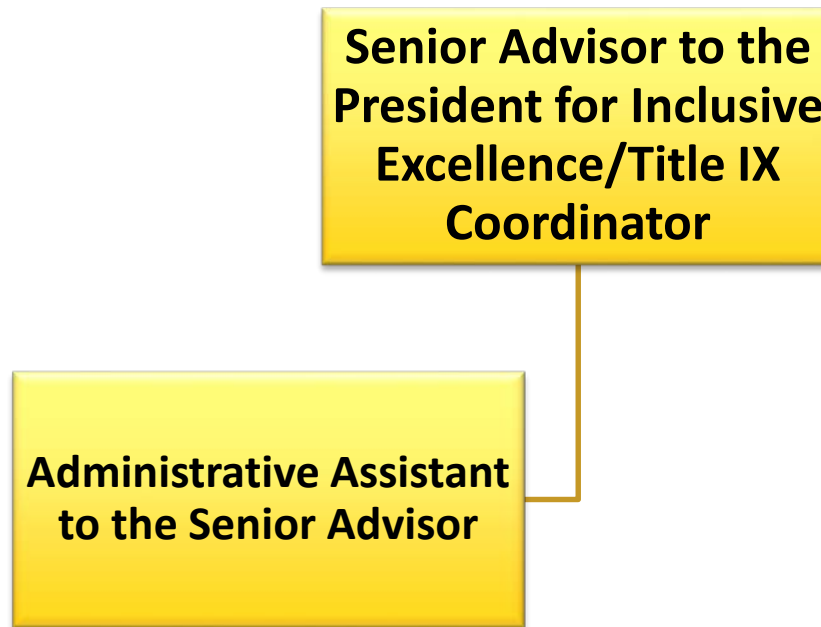
Unit Overview

Support Unit	Current Services
AA, SA, Colleges, Human Resources, Center for Global Engagement and IS&S, Enrollment Management	<ul style="list-style-type: none">• Educate <u>all students</u> to succeed in a diverse and complex world, specifically equipping them with sophisticated intercultural skills.• Cultivate a broad-based, compassionate, and equity-minded <u>leadership</u>.• Create conditions that allow <u>all members</u> of NKU, inclusive of all identities, background, or institutional position, to effectively engage their diversity in the service of learning – student, professional, and organizational.

Office of Inclusive Excellence

Unit Overview – FTE Info

- Office of Inclusive Excellence (FTE 2)



Office of Inclusive Excellence

Services Provided

Support Unit	Current Services
<p data-bbox="112 521 318 678">Office of Inclusive Excellence</p> <p data-bbox="112 1320 367 1363">Legal, SA, HR</p>	<ul data-bbox="415 478 1748 1363" style="list-style-type: none">• Educate NKU community for KSA through workshops, presentations, and resources at inclusive@nku.edu• Advise search committees on best practices for diversity hiring• Develop policies and procedures that advance IE• Develop & coordinate strategy for IE Plan 2020• Annually provide data and Diversity Self-Assessment Report to COE/CPE• Create a network of scholars researching IE topics• Develop programming• Oversee Title IX efforts

Office of Inclusive Excellence

Services Provided

Support Unit	Current Services
Inclusive Excellence Council	<ul style="list-style-type: none">• Facilitating development of Inclusive Excellence Plan 2020 – goals, strategies, and action steps• Serving as Inclusive Excellence Liaisons to their home units• Collecting data for annual Self-Assessment Reports• Developing measures of assessment & accountability

Office of Inclusive Excellence

Potential Metrics & Evaluation

- Statistical increases in numbers & % of recruitment, applications, hiring, retention, and promotion of people from traditionally underrepresented groups
- Number of diversity-related training & participants
- Dollars spent with minority-owned businesses
- Perceptions of belonging and engagement
- Number of articles in campus media
- Diversity in different majors, particularly in STEM and professional disciplines
- Yield & retention rates of ethnically and racially diverse students; number of degrees conferred

Office of Inclusive Excellence

Community Outreach

Building a Network of Partners through:

- Advising Northern KY Chamber on “Inclusion Initiative”
- Contributing to Cincinnati Chamber’s efforts to develop a cultural competence curriculum for the region
- Serving on Leadership Council for Minority Business Accelerator (MBA)
- Participating in the design of a Social Justice & Social Innovation Center in Covington.
- Connecting with regional religious leaders as collaborators for program development.

Office of Inclusive Excellence

Future Considerations

- Create on-going learning opportunities for students, faculty, and staff, such as developing an intercultural competence certificate program
- Encourage professional development for faculty by offering financial incentives to attend workshops/conferences that result in a “train-the-trainer” model for NKU faculty.
- Conduct a cultural audit of IE-related activities, initiatives, curriculum etc.
- Assist Colleges & Administrative Units in the development and assessment of their IE Plans
- Staffing

To: PCC
From: K. Katkin, Chair
Re: Formulating Faculty Senate Recommendations on Budget Priorities
Date: March 1, 2018

In academic year 2018-19, NKU may experience effective cuts of up to \$22 million from its current annual operating budget of roughly \$240 million. Accordingly, President St. Amand has asked all university constituencies to make recommendations for where such cuts would be least harmful. Ideally, the Faculty Senate would like to submit a recommendation in its capacity as the authorized representative of the general faculty.

In 2007, NKU had 14,807 student FTEs, and an annual budget of \$175 million. Of that \$175 million, just \$66 million was then spent on instruction. From 2007 to 2017, NKU's total student enrollment rose slightly and then fell. In 2017, NKU had 14,448 student FTEs, about the same as in 2007. During that decade, however, the University's overall budget rose to \$240 million. The portion spent on instruction, however, remained flat at \$66 million. In other words, while NKU continues to teach about the same number students as a decade ago, the amount of money spent on instruction has remained flat while the amount spent on other things has increased by \$65 million.

Athletics

Because of our move to Division One, much of the increase in spending has been on athletics. Although NKU's own budget documents obscure the amount being spent on athletics by dividing the costs of our athletic programs across several categories of expenditures, USA TODAY reports NKU expenditures in 2016-17 on athletic programs as \$13,525,347, of which \$11,617,644 is subsidized out of NKU's annual operating budget and only \$1,907,703 is generated by revenues associated with the athletic programs (i.e. ticket and merchandise sales, television revenues, donations to athletic programs). For academic year 2016-17, ninety percent of NKU's athletic budget comes from school allocations that could be used for other things.

NKU's budget documents on the NKU CFO's Web Page lists the athletic department budget as:

2017-2018	\$9,118,782
2016-2017	\$8,966,107
2015-2016	\$10,498,671
2014-2015	\$9,090,357

These are net operating budget numbers, which include student scholarships as expenditures but are reduced by revenues received. These annual budget numbers do not include

expenses for facilities and overhead that are included in the USA TODAY reports, but that totaled only \$415,748 in 2016. It appears that the \$9M cost reported on NKU's own Web Site does not include the full cost of athletics here.

USA TODAY's data on NKU athletic expenditures are available at <http://sports.usatoday.com/ncaa/finances/>>. If you click on the school name there is a breakdown of what is included as revenue and expenses. NKU is Number 186 on the list. USA TODAY briefly discusses its methodology at: <http://sports.usatoday.com/2017/07/06/methodology-for-2016-ncaa-athletic-department-revenue-database/>>.

The *Chronicle of Higher Education's* data for NKU athletics is online at: https://www.chronicle.com/interactives/ncaa-subsidies-main#id=table_2014>. The *Chronicle's* database contains documents that NKU has reported to the NCAA.

Although at least \$11 million per year of NKU's current \$240 million budget is now spent on athletic programs, eliminating athletic programs would not return all \$11 million to NKU for other uses. Athletic scholarships needed for Division One, for example, may account for a significant portion of NKU's massive increase in "student financial aid" that occurred from 2007 (\$10.1 million) to 2017 (\$26.6 million). But without these "full-ride" scholarships, most of our recruited Division One athletes likely would not have come to college at NKU. To the extent that the value of "full-ride" scholarships is counted as both tuition revenue and "student financial aid" expenditure in our budget documents, eliminating the expenditure on athletic scholarships would also likely eliminate the corresponding tuition revenue, and thus reduce our budget by the same amount. (To the extent that "full-ride" athletic scholarships also include room, board, book fees, and other non-tuition expenses, however, real money would be saved by their elimination).

Nonetheless, after an initial transition period in which savings might not be immediately realized, NKU would likely save millions of dollars per year if it would return to Division Two athletics, and more if it would look at eliminating some athletic programs.

Academic Programs

In recent years, the University has added two programs directed at making an NKU education available to part-time non-traditional students: (1) the PACE program which is offered in a building on-campus; and (2) the accelerated online degree programs now offered in connection with Academic Partnerships. The two programs appear to be target at the same constituency. It is not clear whether either program today generates revenues that meet its own costs financially. Should the PACE program be recommended for possible elimination? Eliminating this program would free up a building that could be leased out or converted to other NKU uses.

Some faculty members have raised questions about the need for certain graduate programs at NKU. Should elimination of any particular graduate programs be considered and discussed?

Administrative Bloat

From 2007 to 2017 (a period in which both student body size and instructional expenditures remained flat), NKU experienced significant administrative bloat. This administrative bloat perhaps can be seen in the massive increases on expenditures for:

- **Student Services (Educational):** (\$13.1 million in 2007 to \$21.7 million in 2017).
- **Student Services (Auxiliary Enterprises):** (\$3.4 million in 2007 to \$10.4 million in 2017).
- **Academic Support:** (\$16.7 million in 2007 to \$20.7 million in 2017).

The PCC should seek further information about what types of functions are included within these categories of administrative expenses, in order to explore whether a return to 2007-era budgeting levels would be feasible.

Morehead State University recently announced that it would save more than a million dollars to meet its budget shortfall by eliminating five high-paid administrative positions. See <http://www.kentucky.com/news/local/education/article202206859.html>. The 274-page report of the Office of the Provost distributed electronically with today's Agenda provides significant detail about the job functions of various academic administrators within NKU's Division of Academic Affairs. PCC should review this document carefully and seek to determine whether there remains a need for all of these functions. In particular, do we need:

- (1) A five-person office of Graduate Education, Research, and Outreach?
- (2) A Registrar's Office staffed by ten (or more) Deputy and Assistant Registrars and Analysts?
- (3) An Office of Enrollment and Financial Assisatnce with more than 40 administrative employees?
- (4) An Office of Undergraduate Academic Affairs with more than 30 administrative employees?

Other Ideas?

What else should the Faculty Senate look into? Let's make sure that faculty voices are heard during the decision-making process now taking place.

Summary of FY 2007-2008 Unrestricted Revenues and Expenditures

NKU

	FY 2007/08 Proposed	Percent of Total
Revenue by Source		
Tuition	\$ 90,019,600	51.4%
Other Fees	3,666,010	2.1%
Governmental Appropriation - Regular	55,100,000	31.5%
Governmental Appropriation - Debt Service	230,000	0.1%
Sales and Services of Educational Activities	2,478,614	1.5%
Sales and Services of Auxiliary Enterprises	6,664,340	3.8%
Other Sources	6,159,011	3.5%
Fund Balance	10,682,425	6.1%
Total Revenues	<u>\$ 175,000,000</u>	<u>100.0%</u>
Expenditures by Major Object		
Personal Services	\$ 108,087,026	61.8%
Operating	51,638,456	29.5%
Capital Outlay	4,525,563	2.6%
Mandatory Transfers	6,140,235	3.5%
Non-Mandatory Transfers	4,058,720	2.3%
University Contingency	550,000	0.3%
Total Expenditures	<u>\$ 175,000,000</u>	<u>100.0%</u>
Expenditures by Major Function		
Educational and General		
Instruction	\$ 66,776,030	38.3%
Research	155,614	0.1%
Public Service	5,317,108	3.0%
Academic Support/Libraries	22,666,519	13.0%
Student Services	13,123,237	7.5%
Institutional Support	27,318,023	15.6%
Physical Plant	15,327,756	8.8%
Student Financial Aid	10,138,039	5.8%
Mandatory Transfers	1,693,635	1.0%
Non-Mandatory Transfers	5,335,593	3.0%
University Contingency	550,000	0.3%
Total Educational and General	<u>\$ 168,401,554</u>	<u>96.3%</u>
Auxiliary Enterprises		
Student Services	\$ 3,428,719	1.9%
Transfers	3,169,727	1.8%
Total Auxiliary Enterprises	<u>\$ 6,598,446</u>	<u>3.7%</u>
Total Expenditures	<u>\$ 175,000,000</u>	<u>100.0%</u>

FY2017-2018



Budget Highlights and Analysis

Expenditures by Major Function	Annual Budget	One-Time Special Allocation	Total Annual Budget	Percent of Total
Education and General				
Instruction	\$ 66,745,600	695,400	67,441,000	29.79%
Research	185,700	0	185,700	0.08%
Public Service	7,025,900	407,200	7,443,100	3.28%
Libraries	6,076,100	0	6,076,100	2.68%
Academic Support	20,709,700	0	20,709,700	9.15%
Student Services	21,654,900	0	21,654,900	9.56%
Institutional Support	27,811,800	586,000	28,397,800	12.54%
Operations and Maintenance of Plant	19,485,900	1,311,400	20,797,300	9.19%
Student Financial Aid	26,574,100	0	26,574,100	11.74%
Mandatory Transfers	6,113,500	0	6,113,500	2.70%
Non-Mandatory Transfers	1,881,200	0	1,881,200	0.83%
Reserves (E&G)	2,356,600	0	2,356,600	1.04%
Total Education and General	\$ 206,621,000	3,000,000	209,621,000	92.58%
Auxiliary Enterprises				
Student Services	\$ 10,386,600	0	\$10,386,600	4.59%
Student Financial Aid	423,100	0	423,100	0.19%
Transfers	\$5,969,300	0	\$5,969,300	2.64%
Total Auxiliary Enterprises	\$ 16,779,000	\$0	\$16,779,000	7.42%
Total Expenditures	\$ 223,400,000	\$3,000,000	\$226,400,000	100.0%

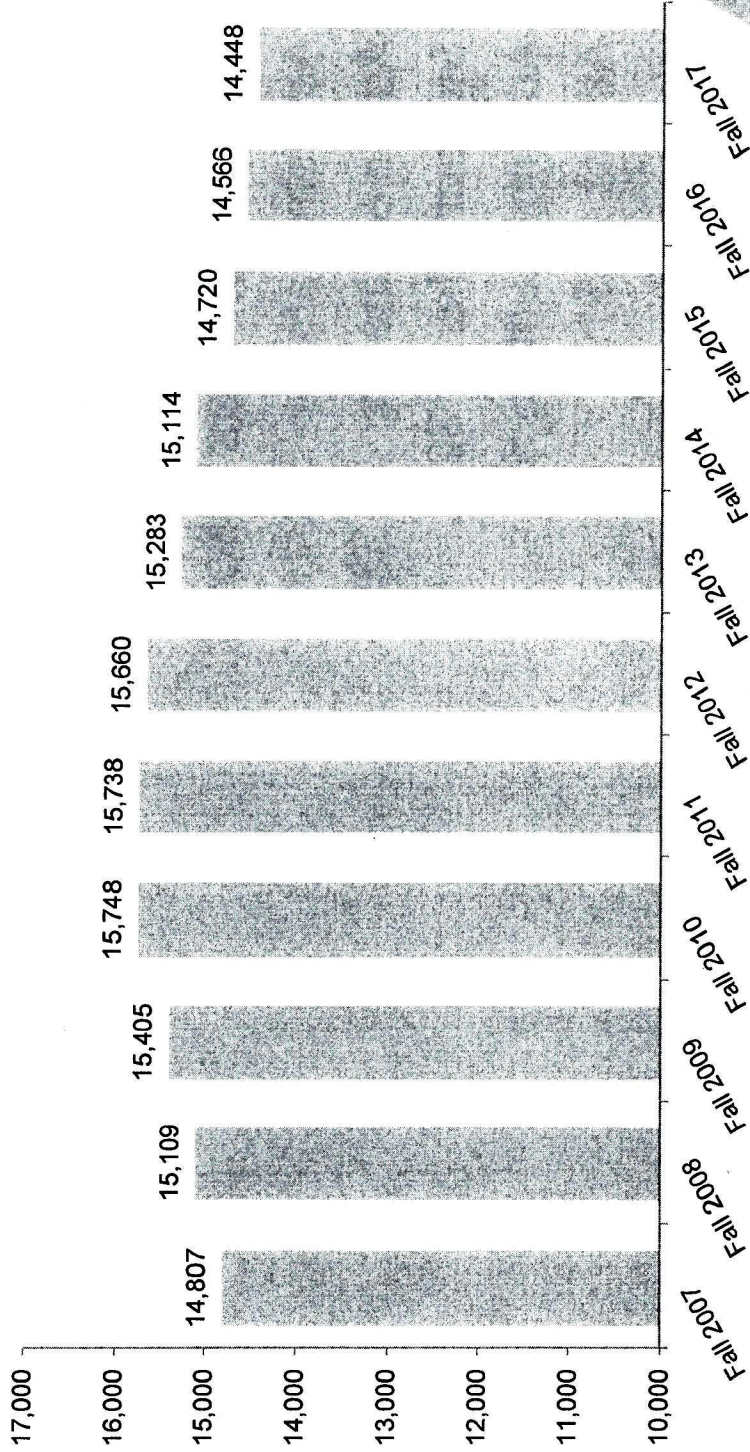
**Postsecondary Education
Northern Kentucky University**

	Revised FY 2018	Requested FY 2019	Requested FY 2020	Recommended FY 2019	Recommended FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	48,875,200	64,431,800	63,928,800	47,153,600	46,650,600
Postsecondary Ed Performance	2,745,900				
Budget Reduction-General Fund	-516,200				
Total General Fund	51,104,900	64,431,800	63,928,800	47,153,600	46,650,600
Restricted Funds					
Current Receipts	176,055,200	182,462,200	189,381,700	182,462,200	189,381,700
Total Restricted Funds	176,055,200	182,462,200	189,381,700	182,462,200	189,381,700
Federal Fund					
Current Receipts	13,075,600	13,075,600	13,075,600	13,075,600	13,075,600
Total Federal Fund	13,075,600	13,075,600	13,075,600	13,075,600	13,075,600
TOTAL SOURCE OF FUNDS	240,235,700	259,969,600	266,386,100	242,691,400	249,107,900
EXPENDITURES BY CLASS					
Personnel Costs	150,375,300	166,555,600	168,949,900	153,744,900	156,139,200
Operating Expenses	38,918,600	40,652,000	42,005,700	37,239,500	38,041,100
Grants Loans Benefits	35,468,800	36,234,000	38,394,600	36,234,000	38,394,600
Debt Service	6,113,500	6,113,500	6,113,500	6,113,500	6,113,500
Capital Outlay	9,359,500	9,359,500	10,419,500	9,359,500	10,419,500
TOTAL EXPENDITURES	240,235,700	258,914,600	265,883,200	242,691,400	249,107,900
EXPENDITURES BY FUND SOURCE					
General Fund	51,104,900	64,431,800	63,928,800	47,153,600	46,650,600
Restricted Funds	176,055,200	182,462,200	188,878,800	182,462,200	189,381,700
Federal Fund	13,075,600	13,075,600	13,075,600	13,075,600	13,075,600
TOTAL EXPENDITURES	240,235,700	259,969,600	265,883,200	242,691,400	249,107,900
EXPENDITURES BY UNIT					
Instruction	71,001,800	75,877,900	76,970,500	70,929,300	72,524,800
Research	1,169,800	1,171,400	1,291,100	1,166,700	1,286,400
Public Service	10,052,400	10,569,400	10,707,500	9,932,500	10,070,600
Libraries	6,123,100	6,509,500	6,753,000	6,203,900	6,447,400
Academic Support	21,092,600	23,195,100	23,449,600	21,268,600	21,523,100
Student Services	22,351,800	25,522,400	25,634,500	22,532,400	22,644,500
Institutional Support	28,819,100	32,861,700	33,103,800	29,027,500	29,269,600
Operation and Maintenance of Plant	19,805,700	23,076,900	24,106,400	20,678,900	21,708,400
Scholarships and Fellowships	35,045,700	35,810,900	37,971,500	35,577,200	37,737,800
Mandatory Transfers	6,113,500	6,113,500	6,113,500	6,113,500	6,113,500
Non-Mandatory Transfers	1,881,200	1,881,200	1,881,200	1,881,200	1,881,200
Auxilliary Enterprises	16,779,000	17,379,700	17,900,600	17,379,700	17,900,600
TOTAL EXPENDITURES	240,235,700	259,969,600	265,883,200	242,691,400	249,107,900

Northern Kentucky University is the only one of Kentucky's comprehensive universities that did not start as an institution for training teachers. NKU began as a community college under the University of Kentucky and became an autonomous institution by an act of the General Assembly in 1968. Upper division courses were offered beginning in 1971, the same year that Salmon P. Chase College of Law merged with what was then known as Northern Kentucky State College. Today there are over 14,000 students enrolled. Although about one-third are non-residents, the Kentuckians among them come from 106 of the state's 120 counties. Boone, Kenton and Campbell counties in northern Kentucky account for 7,107 students. Due to limited dormitory space, 86% of undergraduates commute.

Between 45% and 50% of NKU's first time, full-time students are first generation college-goers. The university seeks to provide support services that make it possible for all members of its diverse student body to succeed. Academic advisors

Enrollment and retention challenges remain ...



Northern Kentucky University
A Component Unit of the Commonwealth of Kentucky
Annual Financial Report
June 30, 2017 and 2016



2016-2017 FINANCIAL REPORT

Current as of June 30, 2017

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October 3, 2017

Northern Kentucky University Board of Regents
Highland Heights, KY 41099

Dear Members of the Board:

I am pleased to share the University's 2016-17 Annual Financial Report. The firm of BKD, LLP, has audited the attached statements and accompanying footnotes.

While the impact of the new pension reporting requirements on the University's unrestricted net position is significant, the University continues to show solid operating performance as measured by cash flows. The University continues to implement new and enhanced strategies around enrollment and financial aid. These strategies are designed to increase enrollment, support students from diverse backgrounds, increase student retention rates, maintain academic quality, and increase net tuition revenue as evidenced by the \$0.6 million increase in net tuition for the year ended June 30, 2017. Management is also continuing its efforts to diversify revenue sources, contain costs, and redirect resources to core mission priorities.

Fueled by excellent investment returns and new endowment gifts, the endowment funds that are managed by the NKU Foundation have grown from \$74.3 million at June 30, 2012 to \$100.2 million at June 30, 2017. The continued growth in funds provided through endowments, gifts, and other sources of revenues will be essential as the University strives to meet the future needs of our students.

This is a big year for NKU. For starters, we will conclude our five-year Fuel the Flame strategic plan. Over the past five years, we have made tremendous progress toward all of our plan goals, but none more than our commitment to student success. We continue to attract more high-achieving students than ever, and our retention rates continue to climb.

We will also begin our 50th Anniversary celebration in the spring. This is a unique opportunity to celebrate our historic past and build excitement for our unstoppable future. The festivities will begin with Homecoming in February and conclude with a regional gala in the fall. Plus, we are also celebrating the 125th Anniversary of our Chase College of Law this year.

We scored a historic victory last year with our Invest in Success campaign in Frankfort. After decades advocating for more equitable state funding, one-half of our recognized disparity was addressed with \$5.1 million in new state funding. We will continue our fight for additional funding this year to achieve full equity. The state also passed historic legislation to create a performance-based funding model for higher education, which will result in a more equitable distribution of state funding.

We continue to enhance our academic programs and our support of student success both in the classroom and in life. That is why *Forbes* magazine recently ranked NKU among America's Top Colleges for the ninth consecutive year.

Finally, we look forward to welcoming NKU's 6th president in the next few months.

With so many big things happening this year, I'm confident 2017-18 will be even better.

Sincerely,



Gerard St. Amand
Interim President

Independent Auditor's Report

Board of Regents
Northern Kentucky University
Highland Heights, Kentucky

Report on the Financial Statements

We have audited the accompanying basic financial statements of the business-type activities and discretely presented component unit of Northern Kentucky University (University), collectively a component unit of the Commonwealth of Kentucky, as of and for the years ended June 30, 2017 and 2016, and the related notes to the financial statements, which collectively comprise the University'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 opinions 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 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 opinions.

Opinions

In our opinion, 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 unit of the University as of June 30, 2017 and 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and pension information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not 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 as a whole. The letter from the president is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

BKD, LLP

Cincinnati, Ohio
October 5, 2017

Northern Kentucky University
A Component Unit of the Commonwealth of Kentucky
Management's Discussion and Analysis
Years Ended June 30, 2017 and 2016

Northern Kentucky University's (the University) Management's Discussion and Analysis of its financial condition provides an overview of the financial performance of the University and its affiliated corporations for the years ended June 30, 2017 and 2016, with selected comparative information for the year ended June 30, 2015. This discussion has been prepared by management and should be read in conjunction with the accompanying financial statements and notes.

As a public comprehensive university located in a major metropolitan area, the University delivers innovative, student-centered education and engages in impactful scholarly and creative endeavors, all of which empower our graduates to have fulfilling careers and meaningful lives, while contributing to the economic, civic, and social vitality of the region.

Financial Highlights

For the year ended June 30, 2015, the University adopted Governmental Accounting Standards Board (GASB) Statement Nos. 68 and 71 which required governmental employers participating in a cost-sharing defined benefit pension plan to recognize their long-term obligation for pension benefits as a liability for the first time. As a participating employer in the Kentucky Employees Retirement System (KERS), the University reported a net pension liability of \$275.6 million as of June 30, 2017. The combined impact of pension reporting changes resulted in a cumulative reduction of \$239.6 million in the University's unrestricted net position as of June 30, 2017. Excluding the impact of the pension reporting changes, the University's unrestricted net position would have decreased by \$0.3 million for the year ended June 30, 2017.

The University's operating and nonoperating revenues totaled \$217.7 million for the year ended June 30, 2017, an increase of \$1.5 million compared to 2016. Operating revenues grew by \$2.3 million for the year ended June 30, 2017, including a \$0.6 million increase in net tuition and fees. Excellent investment returns on the University's endowment funds and an increase in short term interest rates resulted in a \$2.3 million increase in investment income for the year. Nonoperating revenues declined by \$0.8 million for the year ended June 30, 2017 as a result of a \$2.2 million reduction in the University's general state appropriations. Operating and nonoperating expenses increased by \$4.0 million, or 1.7 percent, to a total of \$240.1 million for the year ended June 30, 2017, primarily due to an increase in pension expenses.

Construction of the University's new transformative Health Innovations Center is on schedule for a spring 2018 opening. In addition to the \$97 million capital appropriation the University received from the state through the 2014-16 biennial budget, the University also received an \$8 million gift commitment from St. Elizabeth Healthcare to help pay for the design and construction of a virtual care facility within the Center that will help students simulate medical procedures and facilitate transdisciplinary research at the University. The Center will increase the University's capacity to meet the growing demand for graduates in the health professions and management expects enrollment and the associated tuition revenues related to these programs to be positively impacted.

The University's state-funded endowments totaled \$13.0 million as of June 30, 2017. These funds, along with the private endowed gifts donated to benefit the University, are managed by Northern Kentucky University Foundation, Inc. (Foundation). The endowment funds managed by the Foundation, including the University's endowment funds, totaled \$100.2 million at June 30, 2017. For the five-year period ended June 30, 2017, the endowment funds managed by the Foundation have grown from \$74.3 million to \$100.2 million as a result of excellent investment returns and the receipt of several major endowment gifts. The growth in endowment funds has provided a significant increase in the funds available to support the University's mission.

Using the Financial Statements

The University's financial report includes three financial statements: the statement of net position; the statement of revenues, expenses and changes in net position and the statement of cash flows. These financial statements and accompanying footnotes are prepared in accordance with GASB principles, which establish standards for external financial reporting for public colleges and universities and require that financial statements be presented on a comprehensive, entity-wide basis to focus on the University as a whole.

The University is a component unit of the Commonwealth of Kentucky. The financial statements of the University include the University and its blended component unit, the Northern Kentucky University Research Foundation, Inc. (Research Foundation). Financial statements for the University's discretely presented component unit, Northern Kentucky University Foundation, Inc., have also been included in accordance with GASB pronouncements. Financial statements presented for the Foundation consist of the consolidated statement of financial position and the consolidated statement of activities. These statements are prepared in accordance with Financial Accounting Standards Board (FASB) pronouncements.

Statement of Net Position

The statement of net position reflects the financial position of the University as of June 30, 2017, with comparative information as of June 30, 2016, and includes all assets, deferred outflows and inflows of resources, liabilities and net position. It is prepared under the accrual basis of accounting, whereby revenues and assets are recognized when the service is provided and expenses and liabilities are recognized when others provide the service, regardless of when cash is exchanged. Net position, consisting of the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources, is one indicator of the current financial condition of the University. Assets, liabilities, deferred inflows and outflows of resources are generally measured using current values. A major exception is capital assets, which are stated at historical cost less accumulated depreciation.

A summary of the University's net financial position at June 30, 2017, 2016 and 2015 follows:

Condensed Statements of Net Position (in thousands)

	<u>2017</u>	<u>2016</u>	<u>2015</u>
ASSETS			
Current assets	\$ 109,159	\$ 109,253	\$ 111,884
Capital assets, net	369,470	346,038	335,618
Noncurrent assets	<u>30,653</u>	<u>30,273</u>	<u>38,593</u>
Total assets	<u>509,282</u>	<u>485,564</u>	<u>486,095</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>44,078</u>	<u>28,160</u>	<u>13,446</u>
LIABILITIES			
Current liabilities	38,920	38,806	37,279
Noncurrent liabilities	<u>402,881</u>	<u>379,968</u>	<u>363,964</u>
Total liabilities	<u>441,801</u>	<u>418,774</u>	<u>401,243</u>
DEFERRED INFLOWS OF RESOURCES	<u>6,045</u>	<u>4,636</u>	<u>5,515</u>
NET POSITION			
Net investment in capital assets	253,064	222,068	211,004
Restricted			
Nonexpendable	7,616	7,616	7,616
Expendable	5,491	5,726	7,374
Unrestricted	<u>(160,657)</u>	<u>(145,096)</u>	<u>(133,211)</u>
Total net position	<u>\$ 105,514</u>	<u>\$ 90,314</u>	<u>\$ 92,783</u>

Assets

The University's assets increased by \$23.7 million, or 4.9 percent, for the year ended June 30, 2017 and now total \$509.3 million. Current assets declined by \$0.1 million for the year ended June 30, 2017 primarily due to a decrease in cash reserves that were committed to construction projects and the acquisition of property. Noncurrent assets increased by \$23.8 million for the year ended June 30, 2017 primarily due to a \$23.4 million increase in net capital assets. A \$1.2 million increase in investments resulting from excellent investment returns on the University's endowment funds also contributed to the increase in noncurrent assets for the year.

Net capital assets increased by \$23.4 million for the year ended June 30, 2017 and \$10.4 million the prior year, resulting in a combined increase of \$33.9 million, or 10.1 percent, since June 30, 2015. This increase is the net result of a \$75.0 million increase in capitalized construction project costs, land improvements, equipment and other capital assets, less \$41.1 million in depreciation. Net capital assets totaled \$369.5 million, or 72.5 percent of total assets as of June 30, 2017.

Deferred Outflows of Resources

Deferred outflows of resources totaled \$44.1 million and \$28.2 million as of June 30, 2017 and 2016, respectively. Deferred outflows of resources related to the University's defined benefit pension plan totaled \$40.4 million and \$25.4 million as of June 30, 2017 and 2016, respectively. The deferred outflows of resources that represent the unamortized difference between the reacquisition price and the net carrying amount of refunded debt totaled \$3.7 million and \$2.8 million at June 30, 2017 and 2016, respectively.

Liabilities

At June 30, 2017, the University's liabilities totaled \$441.8 million compared to the previous year's \$418.8 million. This increase in liabilities is attributable to a \$28.5 million increase in the University's net pension liability related to its participation in the Kentucky Employees Retirement System (KERS). The University's net pension liability grew from \$247.1 million as of June 30, 2016 to \$275.6 million as of June 30, 2017.

Noncurrent liabilities, excluding the pension liability, declined by \$5.6 million for the year as a result of a decrease in outstanding bonds, notes and capital leases. Bonds, notes and capital leases payable, net of discounts and premiums, totaled \$119.9 million and \$126.7 million at June 30, 2017 and 2016, respectively.

Deferred Inflows of Resources

The University's deferred inflows of resources totaled \$6.0 million and \$4.6 million as of June 30, 2017 and 2016, respectively. Deferred inflows of resources related to the University's defined benefit pension plan totaled \$4.5 million and \$2.6 million as of June 30, 2017 and 2016, respectively. Deferred inflows of resources related to service concession agreements between the University and a food service provider totaled \$1.5 million at June 30, 2017, a decline of \$0.5 million from the prior year.

Net Position

Net position represents the difference between the University's total of assets and deferred outflows of resources and the total of liabilities and deferred inflows of resources. The University's net position totaled \$105.5 million and \$90.3 million at June 30, 2017 and 2016, respectively. The cumulative effect of the adoption of GASB 68 and GASB 71 resulted in a decrease in the University's unrestricted net position at July 1, 2014 of \$210.4 million. The University also recognized noncash expenses totaling \$29.2 in fiscal years 2017, 2016 and 2015 in accordance with the pension reporting changes resulting in a cumulative reduction of \$239.6 million in the University's unrestricted net position as of June 30, 2017. Excluding the impact of the pension reporting changes, the University's unrestricted net position would have decreased by \$0.3 million for the year ended June 30, 2017.

Net invested in capital assets totaled \$253.1 million and \$222.1 million at June 30, 2017 and 2016, respectively. This \$31.0 million increase is primarily attributable to the \$36.9 million of state capital appropriations the University received in fiscal year 2017 for the construction of the Health Innovations Center.

Statement of Revenues, Expenses and Changes in Net Position

The statement of revenues, expenses and changes in net position presents the revenues earned and expenses incurred during the year. Activities are reported as either operating or nonoperating. GASB requires state appropriations and nonexchange grants and contracts to be classified as nonoperating revenues. Accordingly, the University will generate an operating loss prior to the addition of nonoperating revenues.

This statement is prepared on the accrual basis of accounting whereby revenues and assets are recognized when the service is provided and expenses and liabilities are recognized when others provide the service, regardless of when cash is exchanged.

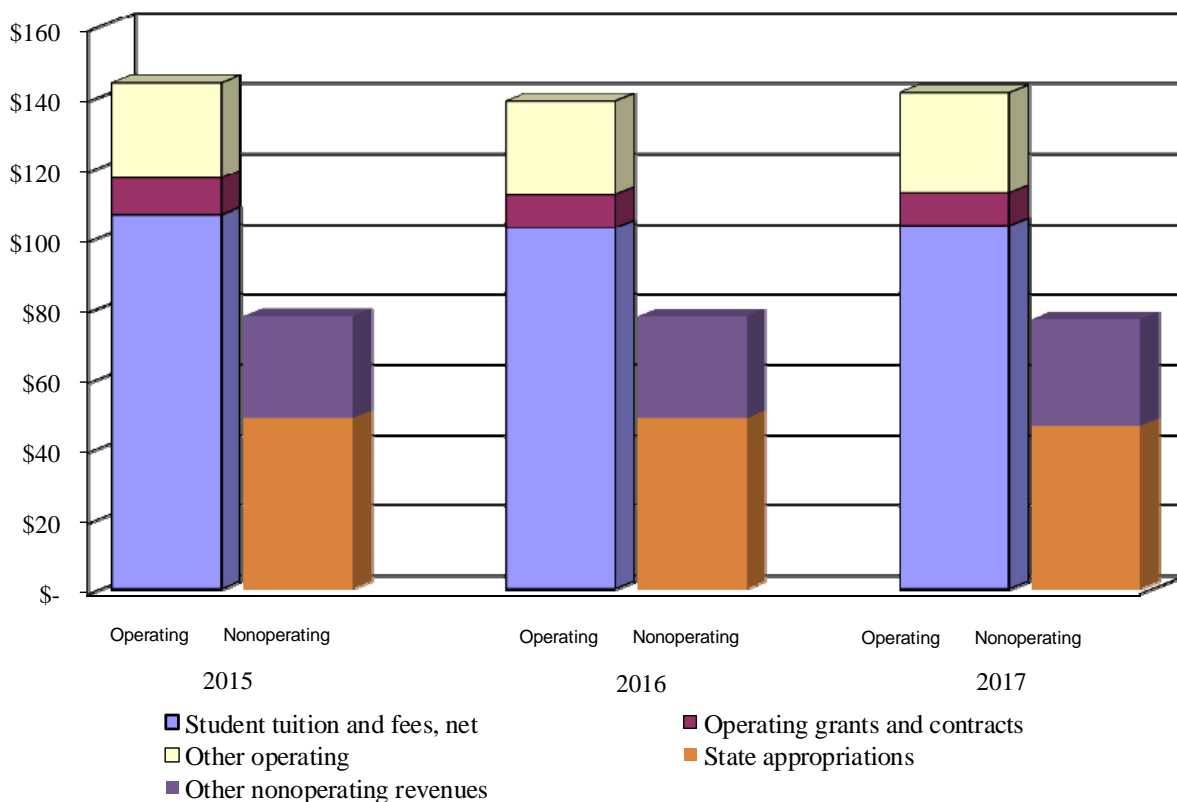
The utilization of long-lived assets, referred to as capital assets, is reflected in the financial statements as depreciation, which amortizes the cost of an asset over its expected useful life. A summarized comparison of the University's revenues, expenses and changes in net position for years ended June 30, 2017, June 30, 2016 and June 30, 2015 follows:

Condensed Statements of Revenues, Expenses and Changes in Net Position (in thousands)

	<u>2017</u>	<u>2016</u>	<u>2015</u>
OPERATING REVENUES			
Student tuition and fees, net	\$ 103,311	\$ 102,670	\$ 106,415
Grants and contracts	9,197	9,334	10,373
Sales and services of educational departments	4,969	4,380	4,529
Auxiliary enterprises	15,697	15,222	15,312
Other operating revenues	7,865	7,084	7,124
Total operating revenues	<u>141,039</u>	<u>138,690</u>	<u>143,753</u>
OPERATING EXPENSES			
Educational and general	206,146	203,103	198,968
Depreciation	16,892	17,387	16,375
Auxiliary enterprises (including depreciation)	12,188	11,011	10,994
Other expenses	62	41	33
Total operating expenses	<u>235,288</u>	<u>231,542</u>	<u>226,370</u>
Net loss from operations	<u>(94,249)</u>	<u>(92,852)</u>	<u>(82,617)</u>
NONOPERATING REVENUES (EXPENSES)			
State appropriations	46,353	48,538	48,538
Gifts, grants and contracts	28,159	29,085	28,488
Investment income (loss)	2,188	(110)	534
Interest on capital asset-related debt	(4,345)	(4,179)	(3,800)
Other nonoperating revenues (expenses)	(498)	(453)	(97)
Net nonoperating revenues	<u>71,857</u>	<u>72,881</u>	<u>73,663</u>
Income (loss) before other revenues, expenses, gains or losses	<u>(22,392)</u>	<u>(19,971)</u>	<u>(8,954)</u>
Capital appropriations	36,864	17,013	1,968
Capital grants and gifts	728	489	111
Total other revenues	<u>37,592</u>	<u>17,502</u>	<u>2,079</u>
Increase (decrease) in net position	<u>15,200</u>	<u>(2,469)</u>	<u>(6,875)</u>
Net position-beginning of year, as previously reported	90,314	92,783	310,094
Cumulative effect of change in accounting principle	-	-	(210,436)
Net position-beginning of year, as restated	90,314	92,783	99,658
Net position-end of year	<u>\$ 105,514</u>	<u>\$ 90,314</u>	<u>\$ 92,783</u>

Operating and Nonoperating Revenues

The following chart illustrates the University's revenues by source (both operating and nonoperating), which were used to fund its operating activities for fiscal years 2015, 2016 and 2017. Significant recurring sources of revenues, including state appropriations and nonexchange grants and contracts, are considered nonoperating revenues as defined by GASB. These revenues support operating expenses; therefore, they are included in the graph of revenues by source (presented in millions).



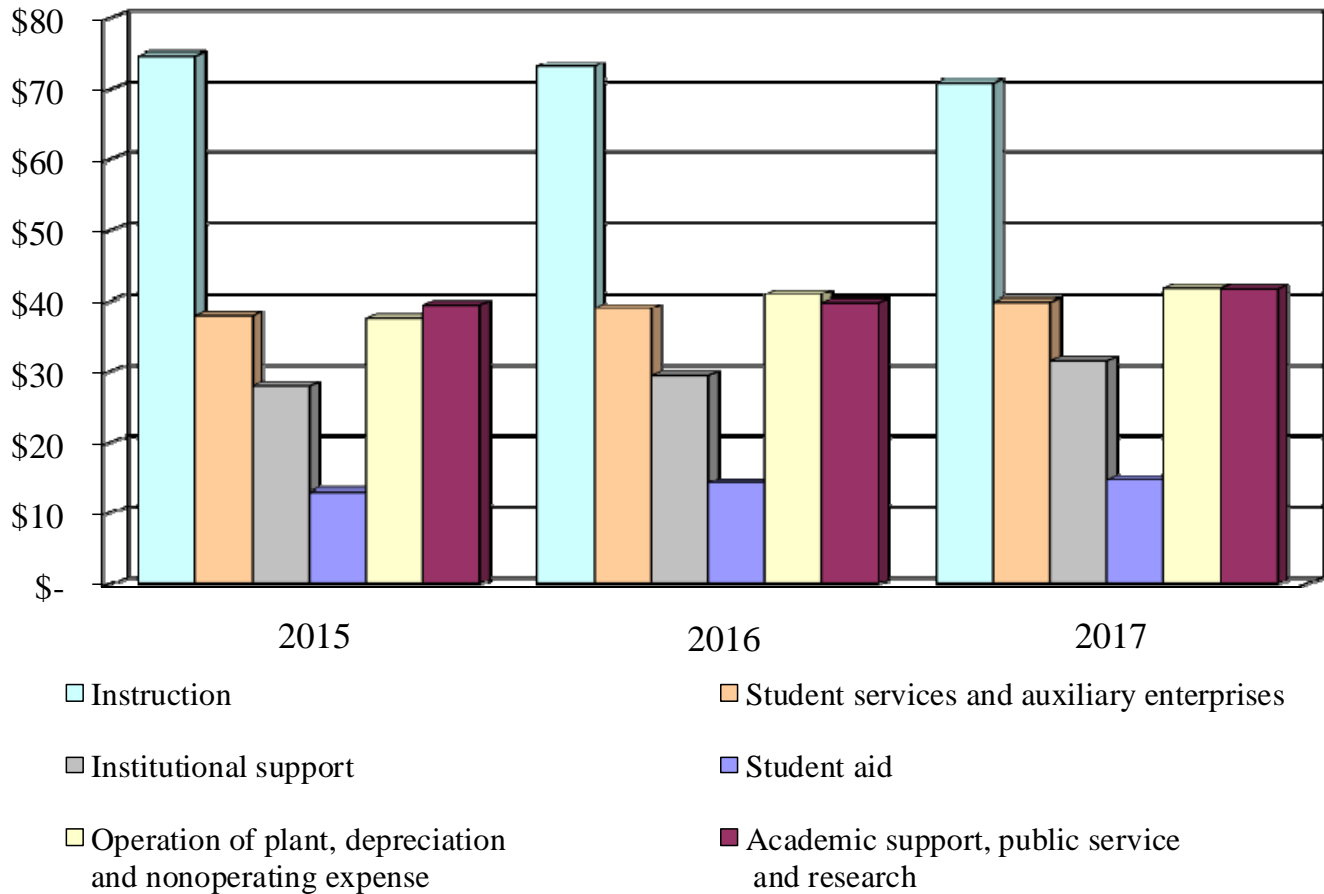
The University's operating and nonoperating revenues totaled \$217.7 million for the year ended June 30, 2017, an increase of \$1.5 million compared to 2016. Operating revenues totaled \$141.0 million, or 64.7 percent of revenues, while nonoperating revenues totaled \$76.7 million, or 35.3 percent of revenues, for the year. The most significant sources of revenue for the University are net student tuition and fees (47.4 percent) and state appropriations (21.3 percent).

Operating revenues grew by \$2.3 million for the year ended June 30, 2017, including a \$0.6 million increase in net tuition and fees. Operating grants and contracts declined slightly for the year. A \$0.9 million increase in contracts revenue earned by the Center for Environmental Restoration contributed to a \$0.6 million increase in sales and services of educational departments revenues for the year. Auxiliary enterprises revenues increased by \$0.5 million due to an increase in parking services revenues. Other operating revenues increased by \$0.8 million for the year. Operating revenues have decreased by \$2.7 million since 2015 primarily due to a \$3.1 million decline in net tuition which was driven by a \$4.9 million increase in scholarship allowances since 2015.

Nonoperating revenues declined by \$0.8 million for the year ended June 30, 2017. The University's state appropriations declined by \$2.2 million for the year ended June 30, 2017 due to a state budget reduction. State nonoperating grant revenues increased by \$0.2 million for the year due to an increase in state financial aid program revenues related to merit scholarships. Federal nonoperating grant revenues decreased by \$1.3 million for the year due to a \$1.2 million decrease in federal financial aid program revenues, including a \$1.1 million decline in federal Pell grant revenues. Excellent investment returns on the University's endowment funds and an increase in short term interest rates resulted in a \$2.3 million increase in investment income for the year.

Operating and Nonoperating Expenses

The following chart illustrates the University's expenses by function (both operating and nonoperating) for fiscal years 2015, 2016 and 2017 (presented in millions).



Operating and nonoperating expenses increased by \$4.0 million, or 1.7 percent, to a total of \$240.1 million for the year ended June 30, 2017. The adoption of GASB 68 and GASB 71 in fiscal year 2015 had a significant impact on the University's expenses reported for the years ended June 30, 2017, 2016 and 2015. For fiscal years 2017, 2016 and 2015 the University recognized pension expenses, as required under GASB 68 and 71, of \$30.3 million, \$21.5 million and \$17.0 million, respectively. The \$8.8 million increase in pension expenses in fiscal year 2017, resulted in a \$3.7 million increase in operating expenses for the year. The \$4.5 million increase in pension expense for the ended June 30, 2016, combined with a \$1.2 million increase in depreciation expense, contributed to a \$5.2 million increase in operating expenses for the year.

Instruction expenses decreased by \$2.3 million, or 3.2 percent, for the year ended June 30, 2017 primarily due to the closure of an educational services unit and a reduction in faculty salaries commensurate with the small decline in the University's fiscal year 2017 enrollment. Institutional support expenses increased by \$2.2 million due to a \$2.2 million increase in pension expenses. A \$1.6 million increase in pension expenses, contributed to a \$1.2 million increase in operation and maintenance of plant. Academic support expenses increased by \$1.6 million primarily due to a \$1.3 million increase in pension expenses. Student aid expenses increased by \$0.5 million for the year ended June 30, 2017. Institutionally funded scholarships increased by \$1.5 million for the year. A \$1.2 million decrease in federal financial aid program awards, including a \$1.1 million decline in federal Pell grant awards, was partially offset by a \$0.3 million increase in state financial aid.

Statement of Cash Flows

Another important factor to consider when evaluating financial viability is the University's ability to meet financial obligations as they become due. The statement of cash flows presents information related to cash inflows and outflows, summarized by operating, noncapital financing, capital and related financing, and investing activities. A comparative summary of the University's statements of cash flows for the years ended June 30, 2017, 2016 and 2015 follows:

Condensed Statements of Cash Flows (in thousands)

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net cash provided (used) by:			
Operating activities	\$ (58,977)	\$ (62,569)	\$ (57,177)
Noncapital financing activities	75,943	76,673	77,107
Capital and related financing activities	(22,835)	(28,418)	(50,345)
Investing activities	1,015	2,786	(1,288)
Net increase (decrease) in cash and cash equivalents	(4,854)	(11,528)	(31,703)
Cash and cash equivalents, beginning of year	110,149	121,677	153,380
Cash and cash equivalents, end of year	<u>\$ 105,295</u>	<u>\$ 110,149</u>	<u>\$ 121,677</u>

The University's cash and cash equivalents decreased by \$4.9 million in 2017 and \$11.5 million in 2016. Major sources of funds generated by operating activities in 2017 included student tuition and fees (\$99.5 million), grants and contracts (\$8.7 million) and auxiliary enterprises (\$15.2 million). The largest cash payments for operating activities were made to employees (\$144.0 million) and to vendors and contractors (\$51.2 million). Net cash used by operating activities decreased by \$3.6 million for the year primarily due to increases in cash provided by auxiliary enterprises, sales and services of educational activities, and other receipts combined with a \$3.1 million decrease in payments to suppliers.

Net cash provided by noncapital financing activities decreased by \$0.7 million for the year ended June 30, 2017. Cash used by capital and related financing activities totaled \$22.8 million for 2017. Purchases of capital assets totaling \$44.1 million were funded by \$32.8 million in state capital appropriations received for the Health Innovations Center project, as well as capital gifts and institutional funds. The University's principal and interest payments totaled \$12.2 million for the year.

Capital Asset and Debt Administration

Capital Assets

As of June 30, 2017, capital assets, net of accumulated depreciation, totaled \$369.5 million, or 72.5 percent of total assets. Net capital assets increased by \$23.4 million and \$10.4 million for the years ended June 30, 2017 and 2016, respectively. Additions to capital assets, net of disposals, during the year ended June 30, 2017 totaled \$43.8 million, including the construction of the new Health Innovations Center. Depreciation expenses totaled \$20.4 million for the year ended June 30, 2017. Additions to capital assets, net of disposals, during the year ended June 30, 2016, totaled \$31.2 million, including the expansion and renovation of the University's campus recreation center. Depreciation expenses totaled \$20.8 million for the year ended June 30, 2016.

The Kentucky General Assembly approved a \$97.0 million capital appropriation to the University in its 2014-16 biennial budget to fund the construction of a state-of-the-art Health Innovations Center and to renovate Founders Hall. In addition to the capital appropriation, the University also received an \$8 million gift commitment from St. Elizabeth Healthcare to help pay for the design and construction of a virtual care facility within the Center that will help students simulate medical procedures and facilitate transdisciplinary research at the University. At June 30, 2017, the construction project was on schedule for a spring 2018 opening.

Debt

The following is a summary of the University's outstanding capital debt summarized by trust indenture and type as of June 30, 2017, 2016 and 2015 (in thousands):

	<u>2017</u>	<u>2016</u>	<u>2015</u>
General Receipts Bonds, net of discounts and premiums	\$ 119,107	\$ 124,636	\$ 128,795
Housing and Dining System Revenue Bonds	785	965	1,140
Notes payable and municipal lease obligations	23	1,134	2,283
	<u>\$ 119,915</u>	<u>\$ 126,735</u>	<u>\$ 132,218</u>

The University issued bonds in August 2017 to refund \$15.6 million of the outstanding General Receipts Bonds 2008 Series A. The refunding reduced the University's total debt service payments over the remaining term of the bonds by \$1.8 million, resulting in a present value savings of \$1.6 million. The University also made principal payments of \$7.7 million on bonds, notes and municipal lease obligations for the year. For the year ended June 30, 2016, the University issued bonds in May 2016 to refund \$26.7 million of the outstanding General Receipts Bonds 2007 Series A. The refunding reduced the University's total debt service payments over the remaining term of the bonds by \$2.8 million resulting in a present value savings of \$2.5 million. The University's outstanding debt declined by \$12.3 million from June 30, 2015 to June 30, 2017.

The University's current bond ratings assigned by Moody's Investors Service (A1-stable) to the University's General Receipts bonds reflect the University's solid financial position.

ECONOMIC FACTORS IMPACTING FUTURE PERIODS

The University's 2013-18 Strategic Plan, *Fuel the Flame*, established an objective to "develop an all-funds approach and ensure budget processes align resources with strategic goals." During fiscal year 2014-15, the University engaged in a process to develop a new budget model. The decision was made to transition to a decentralized, incentive-based approach to budgeting. The new budget approach provides incentives that empower colleges to engage in entrepreneurial activities and focus on enrollment growth and retention with the goal of increasing tuition and alternative revenue sources. The new model will be in full operation for fiscal year 2018.

In accordance with the enacted 2016-18 Budget of the Commonwealth (HB 303), a performance funding working group was established for the purpose of developing a funding model for the allocation of state General Fund appropriations for postsecondary operations that incorporated elements of campus performance, mission, and enrollment. A report containing the working group's findings and recommendations formed the basis for Senate Bill 153 (the Postsecondary Education Performance Funding Bill), which passed the House and Senate with no changes and was signed into law by the Governor on March 21, 2017. The performance funding model is focused on student success, course completion and operational support. The General Assembly set aside 5.0 percent of the total general fund appropriations for eight of the nine public postsecondary education institutions to distribute to the universities in 2018 based on their respective performance.

The 2016-18 biennial budget passed by the General Assembly reflected an across-the-board cut of 4.5 percent per year, or 9 percent total cut for the biennium, for all public universities. The General Assembly also appropriated an additional \$5.1 million to the University in fiscal year 2018 to help address the funding disparity between the University and the other comprehensive public universities. The combined impact of the across-the-board cut and the additional equity funding resulted in a net increase in the University's direct appropriation to \$48.9 million for fiscal year 2018. The University also received an additional \$2.7 million in appropriations in fiscal year 2018 that were distributed to the postsecondary institutions based on the performance goals and metrics incorporated into the new performance based funding model, resulting in a total appropriation of \$51.6 million for 2018.

The University's Board of Regents approved a 4.0 percent increase in undergraduate resident tuition rates for fiscal year 2018. This increase was within the tuition and fee ceiling approved for the University by the Council on Postsecondary Education.

The University's state-funded endowments totaled \$13.0 million as of June 30, 2017. These funds, along with the private endowed gifts donated to benefit the University, are managed by Northern Kentucky University Foundation, Inc. (Foundation). The endowment funds managed by the Foundation, including the University's endowment funds, totaled \$100.2 million at June 30, 2017. For the five-year period ended June 30, 2017, the endowment funds managed by the Foundation have grown from \$74.3 million to \$100.2 million as a result of excellent investment returns and the receipt of several major endowment gifts. The growth in endowment funds has provided a significant increase in the funds available to support the University's mission.

Construction on the University's new transformative Health Innovations Center is on schedule for a spring 2018 opening. Last year, the University received an \$8 million gift commitment from St. Elizabeth Healthcare to help pay for the design and construction of a virtual care facility within the Center that will help students simulate medical procedures and facilitate transdisciplinary research at the University. The Center will increase the University's capacity to meet the growing demand for graduates in the health professions and management expects enrollment and the associated tuition revenues related to these programs to be positively impacted.

For the year ended June 30, 2015, the University adopted Governmental Accounting Standards Board (GASB) Statement Nos. 68 and 71 which required governmental employers participating in a cost-sharing defined benefit pension plan to recognize their long-term obligation for pension benefits as a liability for the first time. As a participating employer in the Kentucky Employees Retirement System (KERS), the University reported a net pension liability of \$275.6 million as of June 30, 2017. The combined impact of pension reporting changes resulted in a cumulative reduction of \$239.6 million in the University's unrestricted net position as of June 30, 2017. The University's required contribution rate for fiscal year 2018 is 49.5 percent of covered payroll for all of its employees that participate in the nonhazardous KERS. The Commonwealth and the University continue to face budget challenges, including funding the state pension systems.

Management is also continuing its efforts to diversify revenue sources, contain costs and redirect resources to core mission priorities. The University is working with a partner to develop property at the University's main entrance. The mixed-use development is expected to include office and retail space, restaurants and a hotel and will generate revenue for the University through ground leases. The University recently discontinued several operations that were being subsidized by the University, including several radio stations, and redirected the resources to core mission priorities. In addition to the net proceeds realized from the sale of the radio stations, the University will realize recurring cash savings of approximately \$0.9 million per year from the closure of the radio stations. The University has entered into a partnership that will significantly increase the University's online program offerings. The new online programs are expected to launch in the Spring 2018 semester.

In summary, while the impact of the new pension reporting requirements on the University's unrestricted net position is significant, the University continues to show solid operating performance as measured by cash flows. The University is in the process of implementing new and enhanced strategies around enrollment, including enhanced online programs, and financial aid. These strategies are designed to increase enrollment, support students from diverse backgrounds, increase student retention rates, maintain academic quality, and increase net tuition revenue. The new budget model and associated budget approach will further enhance these efforts. The continued growth in funds provided through endowments, gifts, and other sources of revenues will be essential as the University strives to meet the needs of our students. The University expects to launch a new fund raising campaign in the near future.

Northern Kentucky University
A Component Unit of the Commonwealth of Kentucky
Statements of Net Position
As of June 30, 2017 and 2016
(in thousands)

	2017	2016
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 88,870	\$ 93,190
Notes, loans and accounts receivable, net	17,838	13,389
Other current assets	2,451	2,674
Total current assets	109,159	109,253
Noncurrent Assets		
Cash and cash equivalents	16,425	16,959
Investments	12,968	11,795
Notes, loans and accounts receivable, net	1,081	1,369
Capital assets, net	369,470	346,038
Other noncurrent assets	179	150
Total noncurrent assets	400,123	376,311
Total assets	509,282	485,564
DEFERRED OUTFLOWS OF RESOURCES		
	44,078	28,160
LIABILITIES		
Current Liabilities		
Accounts payable, accrued liabilities and deposits	25,697	23,995
Unearned revenue	5,649	6,537
Long-term liabilities-current portion	7,574	8,274
Total current liabilities	38,920	38,806
Noncurrent Liabilities		
Deposits	12,434	11,763
Unearned revenue	63	144
Long-term liabilities	114,799	120,980
Net pension liability	275,585	247,081
Total noncurrent liabilities	402,881	379,968
Total liabilities	441,801	418,774
DEFERRED INFLOWS OF RESOURCES		
	6,045	4,636
NET POSITION		
Net investment in capital assets	253,064	222,068
Restricted		
Nonexpendable	7,616	7,616
Expendable	5,491	5,726
Unrestricted	(160,657)	(145,096)
Total net position	\$ 105,514	\$ 90,314

Northern Kentucky University Foundation, Inc.
Consolidated Statements of Financial Position
As of June 30, 2017 and 2016
(in thousands)

	2017	2016
ASSETS		
Cash and cash equivalents	\$ 11,790	\$ 9,313
Loans and accounts receivable, net	103	90
Contributions receivable, net	6,203	8,391
Prepaid expenses and deferred charges	31	40
Investments	102,330	91,225
Land and land improvements	548	548
Accumulated depreciation	(208)	(208)
Total assets	\$ 120,797	\$ 109,399
LIABILITIES AND NET ASSETS		
Accounts payable	\$ 559	\$ 188
Annuities payable	2	140
Deferred income	208	27
Funds held in trust for Northern Kentucky University	12,968	11,795
Total liabilities	13,737	12,150
NET ASSETS		
Unrestricted		
For current operations	1,023	953
Amounts functioning as endowment funds	2,449	2,158
Invested in land and land improvements	340	340
Total unrestricted	3,812	3,451
Temporarily restricted		
Unexpended funds received for restricted purposes	12,027	9,535
Contributions receivable	5,229	7,355
Loan funds	216	216
Endowment funds	40,579	32,638
Total temporarily restricted	58,051	49,744
Permanently restricted		
Contributions receivable	974	1,036
Endowment funds	44,223	43,018
Total permanently restricted	45,197	44,054
Total net assets	107,060	97,249
Total liabilities and net assets	\$ 120,797	\$ 109,399

Northern Kentucky University
A Component Unit of the Commonwealth of Kentucky
Statements of Revenues, Expenses and Changes in Net Position
For the Years Ended June 30, 2017 and 2016
(in thousands)

	2017	2016
OPERATING REVENUES		
Student tuition and fees (net of scholarship allowances of \$39,133, in 2017 and \$38,235 in 2016)	\$ 103,311	\$ 102,670
Federal grants and contracts	3,302	3,394
State and local grants and contracts	3,128	3,199
Nongovernmental grants and contracts	2,767	2,741
Sales and services of educational departments	4,969	4,380
Auxiliary enterprises		
Housing and food service (net of scholarship allowances of \$1,647 in 2017 and \$1,669 in 2016)	11,293	11,494
Other auxiliaries	4,404	3,728
Other operating revenues	7,865	7,084
Total operating revenues	141,039	138,690
OPERATING EXPENSES		
Educational and general		
Instruction	70,746	73,068
Research	1,393	1,574
Public service	14,210	13,809
Libraries	6,102	6,006
Academic support	19,907	18,339
Student services	27,560	27,893
Institutional support	31,540	29,372
Operation and maintenance of plant	19,994	18,821
Depreciation	16,892	17,387
Student aid	14,694	14,221
Auxiliary enterprises		
Housing and food service	7,084	6,370
Other auxiliaries	1,631	1,251
Auxiliary depreciation	3,473	3,390
Other expenses	62	41
Total operating expenses	235,288	231,542
Net income (loss) from operations	(94,249)	(92,852)
NONOPERATING REVENUES (EXPENSES)		
State appropriations	46,353	48,538
Federal grants and contracts	17,692	18,955
State and local grants and contracts	10,273	10,119
Private gifts and grants	194	11
Investment income (loss)	2,188	(110)
Interest on capital asset-related debt	(4,345)	(4,179)
Other nonoperating revenues (expenses)	(498)	(453)
Net nonoperating revenues	71,857	72,881
Income (loss) before other revenues, expenses, gains or losses	(22,392)	(19,971)
Capital appropriations	36,864	17,013
Capital grants and gifts	728	489
Total other revenues	37,592	17,502
Increase (decrease) in net position	15,200	(2,469)
NET POSITION		
Net position - beginning of year	90,314	92,783
Net position - end of year	\$ 105,514	\$ 90,314

Northern Kentucky University Foundation, Inc.

Consolidated Statements of Activities

For the Year Ended June 30, 2017

(in thousands)

	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total
REVENUES, GAINS AND OTHER SUPPORT				
Gifts and bequests	\$ 3	\$ 4,075	\$ 929	\$ 5,007
Rental income	130	-	-	130
Investment return	382	10,879	-	11,261
Other revenue	112	288	-	400
Total revenues and gains	627	15,242	929	16,798
Net assets released from restrictions	6,277	(6,277)	-	-
Reclassifications of net assets	-	(258)	258	-
Total revenues, gains and other support	6,904	8,707	1,187	16,798
EXPENSES AND LOSSES				
Program expenses				
Instruction	725	-	-	725
Research	13	-	-	13
Public service	513	-	-	513
Libraries	36	-	-	36
Academic support	398	-	-	398
Student services	621	-	-	621
Institutional support	884	-	-	884
University facilities and equipment acquisition	752	-	-	752
Student financial aid	2,027	-	-	2,027
Other program expenses and losses	-	400	44	444
Total program expenses	5,969	400	44	6,413
Support expenses				
Management and general	381	-	-	381
Fund raising support	190	-	-	190
Rental property	3	-	-	3
Total support expenses	574	-	-	574
Total Expenses and losses	6,543	400	44	6,987
Increase (decrease) in net assets	361	8,307	1,143	9,811
Net assets - beginning of year	3,451	49,744	44,054	97,249
Net assets - end of year	\$ 3,812	\$ 58,051	\$ 45,197	\$ 107,060

Northern Kentucky University Foundation, Inc.

Consolidated Statements of Activities

For the Year Ended June 30, 2016

(in thousands)

	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total
REVENUES, GAINS AND OTHER SUPPORT				
Gifts and bequests	\$ 3	\$ 10,298	\$ 1,375	\$ 11,676
Rental income	126	-	-	126
Investment return	(42)	(2,393)	-	(2,435)
Other revenue	106	281	-	387
Total revenues and gains	193	8,186	1,375	9,754
Net assets released from restrictions	6,135	(6,135)	-	-
Total revenues, gains and other support	6,328	2,051	1,375	9,754
EXPENSES AND LOSSES				
Program expenses				
Instruction	1,011	-	-	1,011
Research	24	-	-	24
Public service	475	-	-	475
Libraries	11	-	-	11
Academic support	598	-	-	598
Student services	514	-	-	514
Institutional support	821	-	-	821
University facilities and equipment acquisition	167	-	-	167
Student financial aid	2,011	-	-	2,011
Other program expenses and losses	-	149	20	169
Total program expenses	5,632	149	20	5,801
Support expenses				
Management and general	591	-	-	591
Fund raising support	129	-	-	129
Rental property	1	-	-	1
Total support expenses	721	-	-	721
Total expenses and losses	6,353	149	20	6,522
Increase (decrease) in net assets	(25)	1,902	1,355	3,232
Net assets - beginning of year	3,476	47,842	42,699	94,017
Net assets - end of year	\$ 3,451	\$ 49,744	\$ 44,054	\$ 97,249

Northern Kentucky University
A Component Unit of the Commonwealth of Kentucky
Statements of Cash Flows
For the Years Ended June 30, 2017 and 2016
(in thousands)

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	\$ 99,454	\$ 101,480
Grants and contracts	8,655	9,259
Payments to suppliers	(51,195)	(54,307)
Payments for salaries and benefits	(144,000)	(144,484)
Loans issued to students	(526)	(682)
Collection of loans to students	349	383
Auxiliary enterprise receipts:		
Housing operations	10,723	11,380
Other auxiliaries	4,451	3,279
Sales and service of educational departments	5,141	4,336
Other receipts (payments)	7,971	6,787
Net cash used by operating activities	(58,977)	(62,569)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	47,324	47,567
Gifts and grants for other than capital purposes	28,140	29,125
Agency and loan program receipts	84,272	85,473
Agency and loan program disbursements	(83,791)	(85,489)
Other nonoperating receipts (payments)	(2)	(3)
Net cash provided by noncapital financing activities	75,943	76,673
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from capital debt and leases	16,826	28,507
Capital appropriations	32,784	14,450
Capital grants, gifts, and advances received	672	498
Proceeds from sale of capital assets	-	2,600
Purchases of capital assets	(44,136)	(33,935)
Principal paid on capital debt and leases	(7,671)	(7,404)
Bond refund escrow payment	(16,663)	(28,189)
Interest paid on capital debt and leases	(4,490)	(4,633)
Bond issuance costs	(157)	(312)
Net cash used by capital and related financing activities	(22,835)	(28,418)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	331	2,452
Purchase of investments	-	(161)
Interest on investments	684	495
Net cash provided by investing activities	1,015	2,786
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(4,854)	(11,528)
Cash and cash equivalents - beginning of year	110,149	121,677
Cash and cash equivalents - end of year	\$ 105,295	\$ 110,149
 RECONCILIATION OF NET OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES:		
Net loss from operations	\$ (94,249)	\$ (92,852)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Depreciation expense	20,365	20,777
Deferred inflows of resources	1,409	(879)
Deferred outflows of resources	(14,993)	(12,984)
Changes in assets and liabilities:		
Receivables, net	(968)	144
Other assets	192	(108)
Accounts payable, accrued liabilities and deposits	1,792	755
Unearned revenue	(969)	400
Pension	28,504	22,703
Long-term liabilities	(60)	(525)
Net cash used by operating activities	\$ (58,977)	\$ (62,569)

Northern Kentucky University
A Component Unit of the Commonwealth of Kentucky
Notes to the Financial Statements
For the Years Ended June 30, 2017 and 2016

Note 1 – Organization and Summary of Significant Accounting Policies

a. Reporting Entity

Northern Kentucky University (the University) is a component unit of the Commonwealth of Kentucky (Commonwealth) and is included in the general-purpose financial statements of the Commonwealth. The financial statements of the University include the operations of the Northern Kentucky University Research Foundation (Research Foundation) which is a legally separate, tax-exempt organization supporting the University. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 61, the Research Foundation is reported as a blended component unit of the University and condensed financial information is provided in Note 12.

The Northern Kentucky University Foundation, Inc. (the Foundation) is a legally separate, tax-exempt organization supporting the University. The Foundation acts primarily as a fund-raising organization to supplement the resources that are available to the University in support of its programs. The Foundation's Board of Directors is self-perpetuating and consists of graduates and friends of the University. Although the University does not control the timing or amount of receipts from the Foundation, the majority of resources the Foundation holds and invests are restricted to the activities of the University by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the University, the Foundation is considered a component unit of the University and is discretely presented in the University's financial statements.

The accompanying financial statements do not include the financial position or operating results of the Chase College Foundation, Inc. This foundation is a separately incorporated not-for-profit entity organized for the purpose of promoting the educational mission of the University's Salmon P. Chase College of Law. Although this entity benefits the University's Salmon P. Chase College of Law, it is governed by an independent Board of Directors and is not controlled by the University.

b. Basis of Presentation

The accompanying financial statements of the University have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the GASB. In accordance with GASB Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities* (GASB 35) and subsequent standards issued by GASB, the University has elected to report as an entity engaged in business-type activities (BTA). BTAs are those activities that are financed in whole or part by fees charged to external parties for goods and services. GASB 35 establishes standards for external financial reporting for public colleges and universities and requires that resources be classified for accounting and reporting purposes into the following net position categories:

- **Net investment in capital assets:** Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets.
- **Restricted:**
 - Nonexpendable* – Net position subject to externally imposed stipulations that they be maintained permanently by the University.
 - Expendable* – Net position whose use by the University is subject to externally imposed stipulations that can be fulfilled by actions of the University pursuant to those stipulations or that expire by the passage of time. Expendable net position consists primarily of amounts for specified capital construction projects.
- **Unrestricted:** Net position whose use by the University is not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of management or the Board of Regents or may otherwise be limited by contractual agreements with outside parties.

The financial statement presentation required by GASB is intended to provide a comprehensive, entity-wide perspective of the University's assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, expenses, changes in net position and cash flows.

c. Accrual Basis

The financial statements have been prepared on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when an obligation has been incurred.

d. Cash and Cash Equivalents

Cash and cash equivalents include all readily available sources of cash such as petty cash, demand deposits, certificates of deposit and temporary investments in marketable debt securities with original maturities less than three months. Funds held by the Commonwealth of Kentucky are also considered cash equivalents.

e. Notes, Loans and Accounts Receivable

This classification consists of tuition and fee charges to students, charges for auxiliary enterprise services provided to students, faculty and staff, loans to students and amounts due from sponsors for reimbursement of expenses made pursuant to contracts and grants. Accounts receivable are recorded net of estimated uncollectible amounts based upon a review of outstanding receivables, historical collection information and existing economic conditions.

f. Capital Assets

Capital assets are stated at cost at date of acquisition or, in the case of gifts, at fair market value at date of gift. Equipment with a unit cost of \$5,000 or more and having an estimated useful life of greater than one year is capitalized. Renovations to buildings, infrastructure and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. The University capitalizes interest costs as a component of construction in progress based on the interest cost of borrowing specifically for the project, net of interest earned on investments acquired with the proceeds of the borrowing. Routine repairs and maintenance are charged to operating expense in the year in which the expense is incurred.

Depreciation of capital assets is computed on a straight-line basis over the estimated useful lives of the respective assets, generally 40 years for land improvements, 10 – 40 years for buildings and fixed equipment, 10 years for library books and 3 – 10 years for equipment. The University capitalizes, but does not depreciate, works of art and historical treasures that are held for exhibition, education, research and public service or intangible assets with an indefinite life. Indefinite life intangible assets are reviewed annually for impairment. If the fair value of the asset is less than the carrying amount, an impairment loss is recognized for the difference.

g. Compensated absences

University policies permit employees to accumulate vacation and sick leave benefits that may be realized as paid time off or, in limited circumstances, as a cash payment. Expense and the related liability are recognized as vacation benefits are earned whether the employee is expected to realize the benefit as time off or in cash. Sick leave benefits are recognized as expense when the time off occurs and no liability is accrued for such benefits employees have earned but not yet realized. Compensated absence liabilities are computed using the regular pay rates in effect at the statement of net position date plus an additional amount for compensation-related payments such as social security and Medicare taxes computed using rates in effect at that date.

h. Investments

Investments in equity and debt securities are carried at fair value. Fair value is determined using quoted market prices. Investments in nonnegotiable certificates of deposit are carried at cost. Investment income consists of interest and dividend income, realized gains and losses and the net change for the year in the fair value of investments carried at fair value.

i. Unearned Revenue

Unearned revenue includes amounts received for tuition and fees prior to the end of the fiscal year but related to the subsequent accounting period. Unearned revenue also includes amounts received from grants and contracts sponsors that have not yet been earned.

j. Deposits

The University held noncurrent deposits of \$12,434,000 and \$11,763,000 as of June 30, 2017 and 2016, respectively, including deposits held in a wetland restoration fund pursuant to a memorandum of agreement with a federal agency. For the year ended June 30, 2017, additions to deposits were \$3,063,000 while reductions were \$2,392,000 resulting in an increase of \$671,000 over the previous year.

k. Cost-Sharing Defined Benefit Pension Plan

The University participates in a cost-sharing multiple-employer defined benefit pension plan Kentucky Retirement Systems, (KRS). For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

l. Deferred Outflows and Inflows of Resources

A deferred outflow of resources is a loss in net position by the University that is applicable to a future reporting period. Deferred outflows of resources are reported in the statement of net position, but are not recognized in the financial statements as expense until in the related period. Deferred outflows of resources include \$3,645,000 and \$2,720,000 of losses on bond refundings for the years ended June 30, 2017 and 2016, respectively. The remaining balance of deferred outflows for years ended June 30, 2017 and 2016 consist of the KERS pension related unamortized balances.

A deferred inflow of resources is a gain in net position by the University that is applicable to a future reporting period. Deferred inflows of resources are reported in the statement of net position but are not recognized in the financial statements as revenue until in the related period. The agreement between the University and the University's food service provider resulted in a deferred inflow of resources of \$1,562,000 and \$2,034,000 at June 30, 2017 and 2016, respectively. The deferred inflows of resources related to this agreement are recognized evenly over the life of the contract. The remaining deferred inflows of resources for the years ended June 30, 2017 and 2016 consist of the KERS pension related unamortized balances.

See Note 8 for details of pension related deferred outflows of resources and deferred inflows of resources.

m. Scholarship Allowances

Student tuition and fee revenues and other student related revenues are reported net of scholarship allowances in the statement of revenues, expenses and changes in net position. Scholarship allowances are the differences between the stated charge for services provided by the University, and the amounts that are paid by the students or third parties making payments on a student's behalf. To the extent that revenues from such programs are used to satisfy tuition and fees, and other student charges, the University has recorded a scholarship allowance.

n. Income Taxes

The University is an agency and instrumentality of the Commonwealth, pursuant to Kentucky Revised Statutes sections 164.290 through 164.475. Accordingly, the University is generally exempt from federal income taxes as an organization described in Section 115 of the Internal Revenue Code of 1986, as amended. The Research Foundation has received a determination from the Internal Revenue Service granting exemption from federal income taxation pursuant to the provisions of Internal Revenue Code section 501(c)(3).

o. Restricted Asset Spending Policy

The University's policy states that restrictions on assets cannot be fulfilled by the expenditure of unrestricted funds for similar purposes. The determination on whether restricted or unrestricted funds are expended for a particular purpose is made on a case-by-case basis. Restricted funds remain restricted until spent for the intended purpose.

p. Operating Activities

The University defines operating activities, as reported on the statement of revenues, expenses and changes in net position, as those that generally result from exchange transactions, such as payments received for providing goods and services and payments made for services and goods received. Nearly all of the University's expenses are from exchange transactions. Certain significant revenues relied upon for operations, such as state appropriations, gifts, and investment income, are recorded as nonoperating revenues, in accordance with GASB 35. In accordance with GASB Statement No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance* and related GASB implementation guidance, Pell Grants, College Access Program (CAP) Grants and Kentucky Educational Excellence Scholarship (KEES) are considered nonexchange transactions and are recorded as nonoperating revenues in the accompanying financial statements.

q. 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, liabilities and deferred inflows and outflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

r. Component Unit Disclosure

The accompanying financial statements of the Foundation have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Financial Accounting Standards Board. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features.

See Note 14 for further details of related party transactions between the University and Foundation. Complete financial statements for the Foundation can be obtained from the Northern Kentucky University Foundation, Inc. at Lucas Administrative Center Room 820, Nunn Drive, Highland Heights, KY 41099.

s. Reclassifications

Certain items have been reclassified for the year ended June 30, 2016, in order to conform to classifications used for the year ended June 30, 2017. These reclassifications had no effect on total net position and the change in net position.

t. Recent Accounting Pronouncements

In June 2015, the GASB approved Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. The objective of this Statement is to establish new accounting and financial reporting requirements for governments whose employees are provided with other postemployment benefits (OPEB), as well as for certain nonemployer governments that have a legal obligation to provide financial support for OPEB provided to the employees of other entities. The provisions of this statement are effective for financial statements for periods beginning after June 15, 2017. The University is currently evaluating the effects of this statement on its financial statements.

In June 2017, the GASB approved Statement No. 87, *Leases*. The objective of this Statement is to improve the accounting and financial reporting for leases by governments. This Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The provisions of this statement are effective for reporting periods beginning after December 15, 2019. The University is currently evaluating the effects of this statement on its financial statements.

Note 2 – Cash, Cash Equivalents and Investments

At June 30, 2017, petty cash funds totaled \$25,000 and the carrying amount of the deposits was \$105,270,000 with a corresponding total bank balance of \$114,140,000. Of the bank balance, \$25,691,000 was covered by federal depository insurance, or collateralized with securities held by the pledging bank, or bank's agents, in the University's name and \$88,449,000 was held and invested by the Commonwealth. These deposits were covered by federal depository insurance or by collateral held by the Commonwealth in the Commonwealth's name.

Investments

The investments which the University may purchase are limited by the Commonwealth's law and the University's bond resolutions to the following (1) securities or obligations which are fully guaranteed by the U.S. Government or agencies of the U.S. Government as to principal and interest; (2) certificates of deposit or time deposits of banks, trust companies or national banking associations which are insured by the Federal Deposit Insurance Corporation; and (3) mutual funds investing solely in U.S. securities.

Custodial credit risk: Custodial credit risk for deposits is the risk that in the event of a bank failure, a government's deposits or collateral securities may not be returned to it. The University currently uses commercial banks and the Commonwealth as its depositories. Deposits with commercial banks are substantially covered by federal depository insurance or collateral held by the bank in the University's name. At the Commonwealth, the University's accounts are pooled with other agencies of the Commonwealth. These Commonwealth-pooled deposits are substantially covered by federal depository insurance or by collateral held by the Commonwealth in the Commonwealth's name. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

The fair value of the University's investments at June 30, 2017 and 2016, was \$12,968,000 and \$11,795,000, respectively. These investments represent the University's Regional University Excellence Trust Fund endowments which are invested in an investment pool managed by the Foundation. See Note 14 (c) for the required GASB fair value disclosures for the University's investments that are included in the Foundation's investment pool. University assets in the Foundation investment pool at June 30, 2017 and 2016 are invested as follows:

	<u>2017</u>	<u>2016</u>
Type of Investment:		
Fixed income funds	14%	14%
Equity funds and common stock	59%	59%
Alternative investments	27%	27%
Total Investments	<u>100%</u>	<u>100%</u>

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As stated in the University's investment policy, the bond resolution governs the investment of bond reserves. The bond resolution limits the investment maturities by the lesser of the remaining life of the bond issue or ten years. Certificates of deposit can have a maturity of not more than two years from the date of issue.

Credit Risk: Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The University's investment policy requires investments to be in compliance with state statute. University investments that are managed by the Foundation are governed by the Foundation's investment policy. This policy contains several provisions which are intended to limit credit risk, including a requirement that fixed income portfolios maintain a weighted average credit rating of at least AA (Standard and Poor's) and have no more than 10 percent of the portfolio in below investment grade bonds.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single user. The University debt service reserves are invested by the bond trustees in accordance with the governing bond resolutions. There are no specific limits on the maximum amount of investment securities held in bond debt service reserve funds that may be invested in one issuer. However, such investments are limited to bonds or interest bearing notes of the U.S. government.

Foreign Currency Risk: This risk relates to adverse effects on the fair value of an investment from changes in exchange rates. The University had no investments denominated in foreign currency at June 30, 2017.

Note 3 – Notes, Loans and Accounts Receivable

Notes, loans and accounts receivable as of June 30, 2017 and 2016 are as follows (in thousands):

	2017		
	Gross		Net
	Receivable	Allowance	Receivable
Student loans	\$ 1,905	\$ (652)	\$ 1,253
Student accounts receivable	11,724	(4,186)	7,538
Reimbursement receivable grants and contracts	1,400	-	1,400
State appropriations receivable	6,941	-	6,941
Other	2,917	(1,130)	1,787
Total	<u>\$ 24,887</u>	<u>\$ (5,968)</u>	<u>\$ 18,919</u>
Current portion			\$ 17,838
Noncurrent portion			<u>1,081</u>
Total			<u>\$ 18,919</u>
	2016		
	Gross		Net
	Receivable	Allowance	Receivable
Student loans	\$ 2,269	\$ (662)	\$ 1,607
Student accounts receivable	10,981	(4,555)	6,426
Reimbursement receivable grants and contracts	1,210	-	1,210
State appropriations receivable	3,832	-	3,832
Other	2,832	(1,149)	1,683
Total	<u>\$ 21,124</u>	<u>\$ (6,366)</u>	<u>\$ 14,758</u>
Current portion			\$ 13,389
Noncurrent portion			<u>1,369</u>
Total			<u>\$ 14,758</u>

Note 4 – Capital Assets, net

Capital assets for the years ended June 30, 2017 and 2016 are summarized as follows (in thousands):

	7/1/2016 Beginning Balance	Additions	Reductions	6/30/2017 Ending Balance
Cost:				
Indefinite life intangible assets	\$ 4,206	\$ -	\$ -	\$ 4,206
Land	9,432	187	12	9,607
Land improvements	36,977	1,344	357	37,964
Buildings	448,050	5,555	1,439	452,166
Equipment	69,949	1,198	1,387	69,760
Library books	18,019	329	1,560	16,788
Construction in process	17,008	36,756	-	53,764
	<u>603,641</u>	<u>45,369</u>	<u>4,755</u>	<u>644,255</u>
Accumulated Depreciation:				
Land improvements	8,337	1,001	146	9,192
Buildings	176,360	14,619	441	190,538
Equipment	57,742	4,103	1,036	60,809
Library books	15,164	642	1,560	14,246
	<u>257,603</u>	<u>20,365</u>	<u>3,183</u>	<u>274,785</u>
Capital assets, net	<u>\$ 346,038</u>	<u>\$ 25,004</u>	<u>\$ 1,572</u>	<u>\$ 369,470</u>
	7/1/2015 Beginning Balance	Additions	Reductions	6/30/2016 Ending Balance
Cost:				
Indefinite life intangible assets	\$ 4,622	\$ -	\$ 416	\$ 4,206
Land	9,445	45	58	9,432
Land improvements	36,027	1,119	169	36,977
Buildings	405,492	51,519	8,961	448,050
Equipment	68,090	2,334	475	69,949
Library books	19,607	268	1,856	18,019
Construction in process	38,296	-	21,288	17,008
	<u>581,579</u>	<u>55,285</u>	<u>33,223</u>	<u>603,641</u>
Accumulated Depreciation:				
Land improvements	7,472	982	117	8,337
Buildings	169,202	13,975	6,817	176,360
Equipment	52,966	5,121	345	57,742
Library books	16,321	699	1,856	15,164
	<u>245,961</u>	<u>20,777</u>	<u>9,135</u>	<u>257,603</u>
Capital assets, net	<u>\$ 335,618</u>	<u>\$ 34,508</u>	<u>\$ 24,088</u>	<u>\$ 346,038</u>

The estimated cost to complete construction under contract at June 30, 2017 was approximately \$34,464,000.

As of June 30, 2016, the net book value of land, buildings and equipment acquired through capital leases included in the above schedules totaled \$2,730,000, including buildings of \$2,722,000. As of June 30, 2017, there were no outstanding capital leases.

Note 5 – Accounts Payable, Accrued Liabilities and Deposits

Accounts payable, accrued liabilities and deposits as of June 30, 2017 and 2016 are as follows (in thousands):

	<u>2017</u>	<u>2016</u>
Payable to vendors and contractors	\$ 14,424	\$ 12,246
Accrued expenses, primarily payroll and vacation leave	6,274	6,538
Employee withholdings and deposits payable to third parties	3,219	3,241
Self-insured health liability	1,415	1,301
Deposits	365	669
Total	<u>\$ 25,697</u>	<u>\$ 23,995</u>

Note 6 – Unearned Revenue

Unearned revenue as of June 30, 2017 and 2016 are as follows (in thousands):

	<u>2017</u>	<u>2016</u>
Unearned summer school revenue	\$ 4,441	\$ 5,277
Unearned grants and contracts revenue	394	497
Unearned auxiliary revenue	489	518
Other	388	389
Total	<u>\$ 5,712</u>	<u>\$ 6,681</u>
Current	\$ 5,649	\$ 6,537
Noncurrent	63	144
Total	<u>\$ 5,712</u>	<u>\$ 6,681</u>

Note 7 – Long-term Liabilities

The changes in long-term liabilities for the years ended June 30, 2017 and 2016 are summarized as follows (in thousands):

	<u>Balance</u>			<u>Balance</u>	<u>Current</u>	<u>Noncurrent</u>
	<u>July 1, 2016</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2017</u>	<u>Portion</u>	<u>Portion</u>
Housing and Dining Revenue Bonds	\$ 965	\$ -	\$ 180	\$ 785	\$ 185	\$ 600
General Receipts Bonds (net of discounts and premiums)	124,636	16,827	22,356	119,107	7,216	111,891
Total bonds	125,601	16,827	22,536	119,892	7,401	112,491
Municipal lease obligations	1,089	-	1,089	-	-	-
Notes payable	45	-	22	23	23	-
Total notes and municipal leases	1,134	-	1,111	23	23	-
Deferred compensation	313	-	87	226	83	143
Federal portion of loan programs	1,590	-	32	1,558	-	1,558
KERS-sick leave	616	182	124	674	67	607
Total other liabilities	2,519	182	243	2,458	150	2,308
Total long-term liabilities	<u>\$ 129,254</u>	<u>\$ 17,009</u>	<u>\$ 23,890</u>	<u>\$ 122,373</u>	<u>\$ 7,574</u>	<u>\$ 114,799</u>

	Balance			Balance	Current	Noncurrent
	July 1, 2015	Additions	Reductions	June 30, 2016	Portion	Portion
Housing and Dining Revenue Bonds	\$ 1,140	\$ -	\$ 175	\$ 965	\$ 180	\$ 785
General Receipts Bonds (net of discounts and premiums)	128,795	28,507	32,666	124,636	6,838	117,798
Total bonds	129,935	28,507	32,841	125,601	7,018	118,583
Municipal lease obligations	2,217	-	1,128	1,089	1,089	-
Notes payable	66	-	21	45	22	23
Total notes and municipal leases	2,283	-	1,149	1,134	1,111	23
Deferred compensation	382	15	84	313	83	230
Federal portion of loan programs	1,954	-	364	1,590	-	1,590
KERS-sick leave	709	253	346	616	62	554
Total other liabilities	3,045	268	794	2,519	145	2,374
Total long-term liabilities	<u>\$ 135,263</u>	<u>\$ 28,775</u>	<u>\$ 34,784</u>	<u>\$ 129,254</u>	<u>\$ 8,274</u>	<u>\$ 120,980</u>

a. Bonds

The gross revenues of the Housing and Dining system operations are pledged for the retirement of the Housing and Dining System Revenue Bonds. The \$210,000 reserve requirement for the Housing and Dining issue was fully funded as of June 30, 2017. The \$348,000 required housing repair and replacement fund was fully funded as of June 30, 2017.

The outstanding obligation as of June 30, 2017 and 2016 for the Northern Kentucky University General Receipts Bonds are reported net of discounts totaling \$65,000 and \$326,000 and premiums of \$8,187,000 and \$7,227,000, respectively. General Receipts Bonds are collateralized by the operating and nonoperating income of the University excluding income, which as a condition of the receipt, is not available for payment of debt service charges.

On May 17, 2016, Northern Kentucky University General Receipts Bonds were issued in the amount of \$25,765,000 at a net interest cost of 2.32 percent. The proceeds partially refunded the General Receipts Bonds, 2007 Series A maturing on or after September 1, 2019. The refunding reduced the University's total debt service payments over the term by \$2,847,000, representing an economic gain of \$2,516,000. Economic gain is determined by calculating the difference between the present value of the debt service payments on the old and new debt. As of June 30, 2017, a deposit of \$27,211,000 is being held in escrow by the trustee to fund the debt service on the refunded portion of the 2007 Series A until the bonds are called for redemption on September 1, 2017.

On August 25, 2016, Northern Kentucky University General Receipts Bonds were issued in the amount of \$15,225,000 at a net interest cost of 2.02 percent. The proceeds partially refunded the General Receipts Bonds, 2008 Series A maturing on or after September 1, 2019. The refunding reduced the University's total debt service payments over the term by \$1,818,000, representing an economic gain of \$1,600,000. Economic gain is determined by calculating the difference between the present value of the debt service payments on the old and new debt. As of June 30, 2017, a balance of \$16,256,000 is being held in escrow by the trustee to fund the debt service on the refunded portion of the 2008 Series A until the bonds are called for redemption on September 1, 2018.

The total bonds payable as of June 30 are as follows (in thousands):

	<u>2017</u>	<u>2016</u>
Housing and Dining System Revenue bonds payable		
Series B, dated November 1, 1980, with an interest rate of 3.00%. Final principal payment date November 1, 2020.	\$ 785	\$ 965
Total Housing and Dining System Revenue bonds payable	<u>785</u>	<u>965</u>
General Receipts bonds payable		
Series A 2007, dated May 23, 2007, with an interest rate of 4.00%. Final principal payment date September 1, 2018.	4,695	6,905
Series A 2008, dated June 18, 2008, with interest rates from 3.00% to 4.38%. Final principal payment date September 1, 2018.	1,480	17,545
Series A 2010, dated June 29, 2010, with interest rates from 2.00% to 3.50%. Final principal payment date September 1, 2020.	1,370	1,785
Series B 2010, dated October 21, 2010, with interest rates from 2.00% to 3.75%. Final principal payment date September 1, 2027.	9,045	9,720
Series A 2011, dated August 4, 2011, with interest rates from 2.00% to 4.00%. Final principal payment date September 1, 2030.	7,635	8,060
Series A 2013, dated February 26, 2013, with an interest rate of 2.00%. Final principal payment date September 1, 2022.	3,115	3,600
Series A 2014, dated January 7, 2014, with interest rates from 2.00% to 5.00%. Final principal payment date September 1, 2033.	42,780	44,355
Series A 2016, dated May 17, 2016, with interest rates from 2.00% to 5.00%. Final principal payment date September 1, 2027.	25,640	25,765
Series B 2016, dated August 25, 2016, with interest rates from 2.00% to 4.00%. Final principal payment date September 1, 2028.	15,225	-
Total General Receipts bonds payable	<u>110,985</u>	<u>117,735</u>
Plus: Net discounts and premiums	8,122	6,901
Total bonds payable	<u>\$ 119,892</u>	<u>\$ 125,601</u>

Principal maturities and interest on bonds and notes payable for the next five years and in subsequent five-year periods are as follows (in thousands):

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 6,813	\$ 4,383	\$ 11,196
2019	7,530	4,123	11,653
2020	7,405	3,842	11,247
2021	7,690	3,555	11,245
2022	7,530	3,258	10,788
2023-2027	42,110	11,241	53,351
2028-2032	25,700	3,867	29,567
2033-2034	7,015	337	7,352
Subtotal	<u>111,793</u>	<u>34,606</u>	<u>146,399</u>
Plus: Net discounts and premiums	8,122	-	8,122
Total	<u>\$ 119,915</u>	<u>\$ 34,606</u>	<u>\$ 154,521</u>

b. Municipal Leases

Municipal lease obligations as of June 30 are as follows (in thousands):

	<u>2017</u>	<u>2016</u>
Municipal leases payable		
Equipment lease, dated December 3, 2012, with an interest rate of 1.41%. Final payment date of December 3, 2016.	\$ -	\$ 57
Facility improvement lease, dated June 26, 2012, with an interest rate of 1.58%. Final payment date of June 26, 2017.	-	1,032
Total municipal leases payable	<u>\$ -</u>	<u>\$ 1,089</u>

As of June 30, 2017 the University has no outstanding municipal leases.

Note 8 – Pension Plans and Accrued Compensated Absences

Employees of the University are covered by one of the following plans:

a. Defined Contribution Plan

A Teachers Insurance and Annuity Association - College Retirement Equities Fund (TIAA CREF) sponsored plan, adopted by the Board of Regents in July 1970, is available upon completion of ninety days of service, to all regular full-time members of the faculty, administrative officers and others who have educational related duties. The TIAA CREF retirement plan is a defined contribution, money purchase retirement plan. The employees contribute 5 percent of their base salary to the plan, and the University contributes 10 percent. All payments are vested immediately and the contracts with the providers are owned by the individual employees. The employee is entitled to various payment options upon retirement. Benefit payments at retirement depend on the total contributions with interest deposited into the employee's account. Retirement benefits can begin upon retirement or termination of employment with the University. Covered payroll totaled \$45,527,000 and \$45,809,000 for the years ended June 30, 2017 and 2016, respectively. The University's contribution totaled \$4,553,000 and \$4,581,000 for the years ended June 30, 2017 and 2016, respectively.

b. Defined Benefit Plan

Plan Description - All regular employees not participating in the above plan are required to participate in either the Nonhazardous or Hazardous cost-sharing multiple employer defined benefit pension plan, both of which are under the Kentucky Employees Retirement System (KERS), that is administered by the Board of Trustees of the Kentucky Retirement Systems (KRS). The defined benefit plans provide for retirement, disability, death benefits and health insurance. Participants have a fully vested interest after the completion of 60 months of service, 12 of which are current service. KERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Kentucky Retirement Systems, Perimeter Park West, 1260 Louisville Road, Frankfort, Kentucky, 40601-6124 or by calling (502) 696-8800.

Benefits Provided –

	Tier 1 Participation Prior to 9/1/2008	Tier 2 Participation 9/1/2008 through 12/31/2013	Tier 3 Participation on or after 1/1/2014
Nonhazardous			
Benefit Formula:	Final Compensation X Benefit Factor X Years of Service		Cash Balance Plan
Final Compensation:	Average of the highest 5 fiscal years (must contain at least 48 months). Includes lump-sum compensation payments (before and at retirement).	5 complete fiscal years immediately preceding retirement; each year must contain 12 months. Lump-sum compensation payments (before and at retirement) are not to be included in creditable compensation.	No Final Compensation
Benefit Factor:	1.97%, or 2.0% for those retiring with service for all months between 1/1998 and 1/1999.	10 years or less = 1.10%. Greater than 10 years, but no more than 20 years = 1.30%. Greater than 20 years, but no more than 26 years = 1.50%. Greater than 26 years, but no more than 30 years = 1.75%. Additional years above 30 = 2.00% (2.00% benefit factor only applies to service earned in excess of 30 years).	No benefit factor. A life annuity can be calculated in accordance with actuarial assumptions and methods adopted by the board based on member's accumulated account balance.
Cost of Living Adjustment (COLA):	No COLA unless authorized by the Legislature with specific criteria. This impacts all retirees regardless of Tier.		
Unreduced Retirement Benefit:	Any age with 27 years of service. Age 65 with 48 months of service. Money purchase for age 65 with less than 48 months based on contributions and interest.	Rule of 87: Member must be at least age 57 and age plus earned service must equal 87 years at retirement to retire under this provision. Age 65 with 5 years of earned service. No money purchase calculations.	
Reduced Retirement Benefit:	Reduced by 6.5% per year for the first 5 years and 4.5% per year for the next 5 years for each year the member is younger than age 65 or has less than 27 years of service, whichever is smaller.	Reduced by 6.5% per year for the first 5 years and 4.5% per year for the next 5 years for each year the member is younger than age 65 or does not meet the rule of 87 (age plus service) and is younger than 57, whichever is smaller.	No reduced retirement benefit

	Tier 1 Participation Prior to 9/1/2008	Tier 2 Participation 9/1/2008 through 12/31/2013	Tier 3 Participation on or after 1/1/2014
Hazardous			
Benefit Formula:	Final Compensation X Benefit Factor X Years of Service		Cash Balance Plan
Final Compensation:	Highest 3 fiscal years (must contain at least 24 months). Includes lump-sum compensation payments (before and at retirement).	3 highest salaries; each year must contain 12 months. Lump-sum compensation payments (before and at retirement) are not to be included in creditable compensation.	No Final Compensation
Benefit Factor:	2.49%	10 years or less = 1.30%. Greater than 10 years, but no more than 20 years = 1.50%. Greater than 20 years, but no more than 25 years = 2.25%. Greater than 25 years = 2.50%.	No benefit factor. A life annuity can be calculated in accordance with actuarial assumptions and methods adopted by the board based on member's accumulated account balance.
Cost of Living Adjustment (COLA):	No COLA unless authorized by the Legislature with specific criteria. This impacts all retirees regardless of Tier.		
Unreduced Retirement Benefit:	Any age with 20 years of service. Age 55 with 60 months of service. Money Purchase for age 55 with less than 60 months based on contributions and interest.	Any age with 25 years of service. Age 60 with 5 years of service. No Money Purchase calculations.	Any age with 25 years of service. Age 60 with 5 years of service. No Money Purchase calculations.
Reduced Retirement Benefit:	Reduced by 6.5% per year for the first 5 years and 4.5% per year for the next 5 years for each year the member is younger than age 55 or has less than 20 years of service, whichever is smaller.	Reduced by 6.5% per year for the first 5 years and 4.5% per year for the next 5 years for each year the member is younger than age 60 or has less than 25 years service, whichever is smaller.	No reduced retirement benefit

Contributions - Benefit and contribution rates are established by state statute. Per Kentucky Revised Statute 61.565, contribution requirements of the active employees and the participating organizations are established and may be amended by the KRS Board. For the fiscal years ended June 30, 2017 and 2016, University employees were required to contribute 5 percent of their annual covered salary for retirement benefits. Employees with a participation date after 9/1/2008 were required to contribute an additional 1 percent of their covered salary for retiree healthcare benefits. The University's required contribution percentage rates per covered payroll for the years ended June 30, 2017 and 2016 are as follows:

	<u>2017</u>	<u>2016</u>
Nonhazardous		
Pension plan	40.24%	30.84%
Insurance plan	8.35%	7.93%
Hazardous		
Pension plan	21.08%	16.37%
Insurance plan	2.74%	9.97%

The required contribution is actuarially determined as an amount that, when combined with employee contributions, is expected to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The University's total required contributions to the KERS nonhazardous pension plan for the years ending June 30, 2017 and 2016, were \$14,738,000 and \$12,069,000, respectively. The required contributions to the KERS hazardous pension plan for the years ending June 30, 2017 and 2016, were \$170,000 and \$127,000, respectively.

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions - At June 30, 2017 and 2016, respectively, the University reported a liability of \$274,014,000 and \$245,556,000, for its proportionate share of the nonhazardous net pension liability reflecting a net increase of \$28,458,000 for the year ended June 30, 2017. The University's hazardous pension liability was \$1,571,000 and \$1,525,000 for the years ending June 30, 2017 and 2016, respectively, reflecting a net increase of \$46,000 for the year ended June 30, 2017. The net pension liability was measured as of June 30, 2016 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The University's proportion of the net pension liability was based on a projection of the University's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2017 and 2016, the University's proportion was 2.404 percent and 2.448 percent for nonhazardous and .401 percent and .445 percent for hazardous, respectively.

For the years ended June 30, 2017 and 2016, the University recognized nonhazardous pension expense of \$30,071,000 and \$21,294,000; and hazardous pension expense of \$230,000 and \$213,000, respectively.

At June 30, 2017 the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Nonhazardous		
Differences between expected and actual experience	\$ 286	\$ -
Change of assumptions	20,756	-
Net difference between projected and actual earnings on investments	4,207	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	4,401
Contributions subsequent to the measurement date	14,738	-
Hazardous		
Differences between expected and actual experience	10	-
Change of assumptions	82	-
Net difference between projected and actual earnings on investments	150	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	34	82
Contributions subsequent to the measurement date	170	-
Total	<u>\$ 40,433</u>	<u>\$ 4,483</u>

At June 30, 2016 the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Nonhazardous		
Differences between expected and actual experience	\$ 525	\$ -
Change of assumptions	11,771	-
Net difference between projected and actual earnings on investments	699	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	2,602
Contributions subsequent to the measurement date	12,069	-
Hazardous		
Differences between expected and actual experience	19	-
Change of assumptions	161	-
Net difference between projected and actual earnings on investments	9	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	60	-
Contributions subsequent to the measurement date	127	-
Total	<u>\$ 25,440</u>	<u>\$ 2,602</u>

At June 30, 2017 and 2016, the University reported \$14,908,000 and \$12,196,000, respectively, as deferred outflows of resources related to pensions resulting from University contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the years ended June 30, 2017 and 2016, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources at June 30, 2017, related to pensions will be recognized in pension expense as follows (in thousands):

Year Ending June 30	
2018	\$ 9,081
2019	5,789
2020	4,716
2021	728
2022	728
	<u>\$ 21,042</u>

Actuarial assumptions - The total pension liability was determined by an actuarial valuation as of June 30, 2016, using the following actuarial assumptions, applied to all periods included in the measurement for nonhazardous and hazardous pensions.

	<u>Nonhazardous</u>	<u>Hazardous</u>
Inflation	3.25%	3.25%
Salary Increases	4.0%, average, including inflation	4.0%, average, including inflation
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation	7.5%, net of pension plan investment expense, including inflation

The Mortality Table used for active members in RP-2000 Combined Mortality Table projected with Scale BB to 2013 (multiplied by 50% for males and 30% for females). For healthy retired members and beneficiaries, the mortality table used is the RP-2000 Combined Mortality Table projected with Scale BB to 2013 (setback one year for females). For disabled members, the RP-2000 Combined Disabled Mortality Table projected with Scale BB to 2013 (setback four years for males) is used for the period after disability retirement. There is some margin in the current mortality table for possible future improvement in mortality rates and that margin will be reviewed again when the next experience investigation is conducted.

The long-term expected return on plan assets is reviewed as part of the regular experience studies prepared every five years for the Systems. The most recent analysis is dated December 5, 2015. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The target asset allocation and best estimates of arithmetic nominal rates of return for each major asset class are summarized in the following table:

Nonhazardous		
Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Combined Equity	50%	5.30%
Intermediate Duration Fixed Income	11%	1.00%
Custom KRS Fixed Income	11%	3.33%
Core Real Estate	5%	4.25%
Diversified Hedge Funds	10%	4.00%
Private Equity	2%	8.00%
Diversified Inflation Strategies	8%	3.15%
Cash Equivalent	3%	-0.25%
Total	100%	

Hazardous		
Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Combined Equity	44%	5.40%
Combined Fixed Income	19%	1.50%
Real Return (Diversified Inflation Strategies)	10%	3.50%
Real Estate	5%	4.50%
Absolute Return (Diversified Hedge Funds)	10%	4.25%
Private Equity	10%	8.50%
Cash Equivalent	2%	-0.25%
Total	100%	

Discount rate – The discount rate used to measure the total pension liability was 6.75% for the Nonhazardous System, and 7.50% for the Hazardous System. The projection of cash flows used to determine the discount rate assumed that local employers would contribute the actuarially determined contribution rate of projected compensation over the remaining 27 year amortization period of the unfunded actuarial accrued liability. The actuarial determined contribution rate is adjusted to reflect the phase in of anticipated gains on actuarial value of assets over the first four years of the projection period. The discount rate determination does not use a municipal bond rate. Projected future benefit payments for all current plan members were projected through 2117.

Sensitivity of the University's proportionate share of the net pension liability to changes in the discount rate - The University's proportionate share of the net pension liability has been calculated using a discount rate of 6.75% for the nonhazardous and 7.5% for hazardous. The following presents the University's proportionate share of the net pension liability calculated using a discount rate 1% higher and 1% lower than the current rate (in thousands):

	<u>1% Decrease (5.75%)</u>	<u>Current Discount Rate (6.75%)</u>	<u>1% Increase (7.75%)</u>
Nonhazardous			
Proportionate share of the Collective Net Pension Liability	\$ 308,696	\$ 274,014	\$ 244,867
	<u>1% Decrease (6.5%)</u>	<u>Current Discount Rate (7.5%)</u>	<u>1% Increase (8.5%)</u>
Hazardous			
Proportionate share of the Collective Net Pension Liability	\$ 1,974	\$ 1,571	\$ 1,233

Payable to the pension plan - The University reported payables of \$2,224,000 and \$1,628,000 for the outstanding amount of employer contributions to the pension plan required for the years ended June 30, 2017 and 2016, respectively.

Effective July 1, 2010 KRS 61.546 states “the value of any accumulated sick leave that is added to the member’s service credit in the Kentucky Employees Retirement System on or after July 1, 2010, shall be paid to the retirement system by the last participating Kentucky Employees Retirement System employer based upon a formula adapted by the Board.” The KERS sick leave liability as of June 30, 2017 and 2016 was \$674,000 and \$616,000, respectively.

c. Compensated Absences

University employees begin to accumulate annual vacation allowance from the initial date of employment; however, no vacation is granted until three months of continuous employment have been completed. The maximum accumulation of vacation leave is limited to the number of days that can be accumulated in twelve months, based upon length of service and employment classification.

Eligible employees are paid their accumulated vacation upon termination, subject to certain limitations. At June 30, 2017 and 2016, the University had recognized an accrued vacation liability of \$3,140,000 and \$2,871,000, respectively.

Note 9 – Operating Expenses By Natural Classification

The University’s operating expenses by natural classification are as follows for the year ended June 30, 2017 and 2016 (in thousands):

	<u>2017</u>	<u>2016</u>
Salaries and wages	\$ 99,913	\$ 103,961
Employee benefits	61,414	51,845
Utilities	5,347	5,507
Supplies and other services	32,973	34,632
Depreciation	20,365	20,777
Student scholarships and financial aid	15,276	14,820
Total	<u>\$ 235,288</u>	<u>\$ 231,542</u>

Note 10 – Risk Management

The University is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by (1) the State Fire and Tornado Insurance Fund (the Fund), (2) Sovereign Immunity and the State Board of Claims, or (3) in the case of risks not covered by the Fund and Sovereign Immunity, commercial insurance, participation in insurance risk retention groups or self-insurance.

The Fund covers losses to property from fire, wind, earthquake, flood and most other causes of loss between \$5,000 and \$1 million per occurrence. Losses in excess of \$1 million are insured by commercial carriers up to \$1.5 billion per occurrence with buildings insured at replacement cost and contents on an actual cash value basis. As a state agency, the University is vested with Sovereign Immunity and is subject to the provisions of the Board of Claims Act, under which the University's liability for certain negligence claims is limited to \$250,000 for any one person or \$400,000 for all persons damaged by a single act of negligence. Claims against educators' errors and omissions and wrongful acts are insured through a reciprocal risk retention group. There have been no significant reductions in insurance coverage from 2016 to 2017. Settlements have not exceeded insurance coverage during the past three years.

The University began self-insuring employee health insurance as of January 1, 2014. Accrued expenses are based on the estimated costs of health care claims based on claims filed subsequent to year end and an additional amount for incurred but not yet reported claims based on prior experience. The University purchases both specific and aggregate stop loss coverage on medical and prescription drug claims. The stop loss insurance limits its exposure for claims to \$250,000 per individual and 125 percent of projected aggregate claims.

The health self-insurance liability as of June 30, 2017 and 2016 are detailed below (in thousands):

	<u>2017</u>	<u>2016</u>
Liability, beginning of year	\$ 1,301	\$ 1,099
Claims and changes in estimates	13,950	12,886
Claims paid	<u>(13,836)</u>	<u>(12,684)</u>
Liability, end of year	<u>\$ 1,415</u>	<u>\$ 1,301</u>

The University also self-insures certain other employee benefits, including worker's compensation claims to the extent not covered by insurance. The University has recorded an estimate for asserted claims at June 30, 2017.

Note 11 – Contingencies

The University is a party to various litigation and other claims in the ordinary course of business. University officials are of the opinion, based upon the advice of legal counsel, that the ultimate resolution of these matters will not have a material effect on the financial position of the University.

Note 12 – Blended Entity Condensed Financial Information

Condensed financial information for Northern Kentucky University Research Foundation (NKURF) is provided below for the year ended June 30, 2017 and 2016 (in thousands):

Condensed Statements of Net Position

	<u>2017</u>	<u>2016</u>
ASSETS		
Current assets	\$ 1,536	\$ 2,301
Noncurrent assets	<u>12,392</u>	<u>11,721</u>
Total assets	<u>13,928</u>	<u>14,022</u>
LIABILITIES		
Current liabilities	323	629
Due to the University - current	363	653
Noncurrent liabilities	<u>12,392</u>	<u>11,721</u>
Total liabilities	<u>13,078</u>	<u>13,003</u>
NET POSITION		
Restricted expendable	13	3
Unrestricted	<u>837</u>	<u>1,016</u>
Total net position	<u>\$ 850</u>	<u>\$ 1,019</u>

Condensed Statements of Revenues, Expenses, and Changes in Net Position

	<u>2017</u>	<u>2016</u>
OPERATING REVENUES		
Grants and contracts	\$ 3,836	\$ 4,368
Recoveries of facilities and administrative costs	467	451
Other operating revenues	<u>1</u>	<u>-</u>
Total operating revenues	<u>4,304</u>	<u>4,819</u>
OPERATING EXPENSES		
Operating expenses	<u>3,974</u>	<u>4,464</u>
Operating income	<u>330</u>	<u>355</u>
NONOPERATING REVENUES (EXPENSES)		
Non-capital transfers (to)/from the University	(567)	(274)
Gifts and grants revenues (expenses)	<u>36</u>	<u>24</u>
Net nonoperating revenues (expenses)	<u>(531)</u>	<u>(250)</u>
Income (loss) before other revenues, expenses, gains or losses	<u>(201)</u>	<u>105</u>
Capital transfers (to)/from the University	50	(195)
Capital grants and gifts	<u>(18)</u>	<u>195</u>
Total other revenues (expenses)	<u>32</u>	<u>-</u>
Increase (decrease) in net position	<u>(169)</u>	<u>105</u>
NET POSITION		
Net position - beginning of year	<u>1,019</u>	<u>914</u>
Net position - end of year	<u>\$ 850</u>	<u>\$ 1,019</u>

Condensed Statements of Cash Flows

	<u>2017</u>	<u>2016</u>
Net cash provided (used) by operating activities	\$ 601	\$ 355
Net cash provided (used) by noncapital financing activities	(365)	(197)
Net cash provided (used) by capital and related financing activities	32	-
Net cash provided (used) by investing activities	<u>-</u>	<u>2,000</u>
Net increase (decrease) in cash and cash equivalents	268	2,158
Cash and cash equivalents - beginning of year	13,051	10,893
Cash and cash equivalents - end of year	<u>\$ 13,319</u>	<u>\$ 13,051</u>

Note 13 – Subsequent Events

In August and September of 2017, the University sold three radio stations, WNKU, WNKE and WNKN, receiving cash proceeds of \$6,697,500. The financial impact of the discontinued operations will be reflected in the June 30, 2018 financial statements.

Note 14 – Northern Kentucky University Foundation, Inc. Notes to Financial Statements

Selected disclosures from the Foundation are included as follows:

a. Summary of Significant Accounting Policies

1. Scope of Statements

The consolidated financial statements of the Northern Kentucky Foundation, Inc. include the operations of the Foundation and several single member limited liability companies. All material intercompany transactions and balances have been eliminated.

2. Basis of Presentation

The consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) which require management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates. The following is a summary of the significant accounting policies consistently followed by the Foundation in preparation of its consolidated financial statements.

These statements are presented on the accrual basis of accounting, and have been prepared to focus on the Foundation as a whole and to present transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by classification of balances and transactions into three classes of net assets - permanently restricted, temporarily restricted and unrestricted net assets.

Net assets and changes therein are classified as follows:

- **Permanently restricted net assets** - 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 the returns on the related investments over time for general or specific purposes.
- **Temporarily restricted net assets** - Net assets subject to donor-imposed stipulations that may or will be met by actions of the Foundation and/or the passage of time. Temporarily restricted net assets are generally established in support of colleges or departments of the University, often for specific purposes such as faculty support, scholarships and fellowships, library acquisitions, equipment or building projects and other specific purposes.
- **Unrestricted net assets** - Net assets not subject to donor-imposed stipulations.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Restricted contributions and net investment returns earned are reported as temporarily restricted support and reclassified as unrestricted when any donor-imposed restrictions are satisfied. Expirations of temporary restrictions on net assets are met when a donor stipulated time restriction ends or purpose restriction is accomplished and reclassified to unrestricted net assets and reported in the consolidated statement of activities as net assets released from restriction.

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributions receivable are discounted at an appropriate rate commensurate with the risks involved. Amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions on the contributions. An allowance for uncollectible contributions receivable is provided based upon management's judgment of such factors as prior collection history, type of contribution and nature of the fund-raising activity.

Income and realized net gains on long-term investments are reported as follows:

- As increases in permanently restricted net assets – if the terms of the gift require that they be added to the principal of a permanent endowment fund.
- As increases in temporarily restricted net assets – if the terms of the gift impose restrictions on the use of the income.
- As increases in unrestricted net assets – in all other cases.

3. Cash and Cash Equivalents

Cash and cash equivalents includes all readily available sources of cash such as petty cash, demand deposits and temporary investments in marketable securities with maturities of less than three months. Cash and cash equivalents representing investments purchased with endowment net assets are reported as investments.

At various times throughout the year, the Foundation has cash in certain financial institutions in excess of insured limits. Additionally, at June 30, 2017 and 2016, \$1,416,000 and \$696,000, respectively, was collateralized with securities held by the financial institution's trust department or agent, but not in the Foundation's name. At June 30, 2017 and 2016, balances of \$9,372,000 and \$7,618,000, respectively, were neither insured nor collateralized.

4. Loans and Accounts Receivable

Loans receivable consists primarily of loans made to students under privately funded loan programs. The advances are evidenced by signed promissory notes, bearing interest at varying stated interest rates, with varying due dates. Loans, accounts and other receivables are stated at the amount management expects to collect from outstanding balances. Management provides for a probable uncollectible allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. The allowance for doubtful accounts at June 30, 2017 and 2016 was approximately \$125,000 and \$127,000, respectively.

5. Investments

Investments in equity securities with readily determinable fair values and all debt securities are reported at their fair value. The estimated fair value of investments is based on quoted market prices, except for investments for which quoted market prices are not available. The alternative investments, which are not readily marketable, are carried at estimated fair values as provided by the investment managers. The estimated fair value of certain alternative investments, such as private equity interests, is based on valuations provided by the external investment managers adjusted for cash receipts, cash disbursements and distributions. The Foundation believes the carrying amount of these financial instruments is a reasonable estimate of fair value. Because alternative investments are not readily marketable, their estimated value is subject to uncertainty and therefore may differ from the value that would have been used had a ready market for such investments existed. Such difference could be material.

The Foundation invests its endowment investment portfolio and allocates the related earnings for expenditure in accordance with the total return concept. A distribution of endowment return that is independent of the cash yield and appreciation (depreciation) of investments earned during the year is provided for program support.

The Foundation has significant exposure to a number of risks including interest rate, market and credit risks for both marketable and non-marketable securities. Due to the level of risk exposure, it is possible that near-term valuation changes for investment securities may occur to an extent that could materially affect the amounts reported in the Foundation's consolidated financial statements.

All true endowment investments and long-term net assets functioning as endowments are managed in a pool, unless special considerations or donor stipulations require that they be held separately.

6. Land and Land Improvements

At June 30, 2017 and 2016, land and land improvements (in thousands) consisted of:

	<u>2017</u>	<u>2016</u>
Type of Asset:		
Land	\$ 178	\$ 178
Land held for future use by the University	162	162
Land improvements	208	208
Total land and land improvements	<u>\$ 548</u>	<u>\$ 548</u>

Assets acquired for Foundation use with a useful life greater than one year and a value of \$5,000 or more are capitalized. Annual depreciation for land improvements is calculated on a straight-line basis, beginning in the month of acquisition based on a useful life of 30 years. At June 30, 2017 and 2016 all land improvements were fully depreciated.

Assets purchased or constructed through the Foundation for immediate use by Northern Kentucky University are recorded by the Foundation as a program expense.

7. Transfers Between Fair Value Hierarchy Levels

Transfers in and out of Level 1 (quoted market prices), Level 2 (other significant observable inputs) and Level 3 (significant unobservable inputs) are recognized on the actual transfer date.

b. Unconditional and Conditional Promises to Give

Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. The discounts are computed using a risk free interest rate and amortization of the discount is included in gifts and bequests revenue.

At June 30, 2017 and 2016, the Foundation recognized contributions based on the following unconditional promises to give (in thousands):

	<u>2017</u>	<u>2016</u>
Purpose:		
Endowment giving	\$ 1,053	\$ 1,094
Capital purposes	4,080	6,025
Operating programs	<u>1,398</u>	<u>1,679</u>
Gross unconditional promises	6,531	8,798
Less: Discount and allowance for uncollectible accounts	<u>(328)</u>	<u>(407)</u>
Net unconditional promises to give	<u><u>\$ 6,203</u></u>	<u><u>\$ 8,391</u></u>
Amounts due in:		
Less than one year	\$ 3,178	\$ 3,097
One to five years	3,333	5,601
More than five years	<u>20</u>	<u>100</u>
Total	<u><u>\$ 6,531</u></u>	<u><u>\$ 8,798</u></u>

The discount rates used to calculate the present value of contributions receivable at June 30, 2017 and 2016 vary from 1.2 percent to 2.8 percent depending on when the promise was made.

Conditional promises to give are not included as support until such time as the conditions are substantially met. The Foundation had received conditional promises to give of approximately \$1 million at June 30, 2017 and \$1.1 million at June 30, 2016, consisting of the face value of life insurance policies, net of accumulated cash surrender value.

Approximately 61 percent of total pledges receivable were due from one donor at June 30, 2017. Approximately 69 percent of all contributions were received from one donor at June 30, 2016.

c. Fair Value Measurements

The three levels of the fair value hierarchy under generally accepted accounting principles are described as follows:

Level 1 – Quoted prices in active markets for identical assets or liabilities

Level 2 – Observable inputs other than Level 1 prices, such as:

- Quoted prices for similar assets or liabilities;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Other inputs that are observable for the asset or liability;
- Other 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 – Unobservable inputs that are supported by little or no market activity and that are 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 need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value:

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. Level 1 investments include short term money market funds, cash surrender value, fixed income funds and equity funds.

Level 2 investments are based on quoted prices of securities or other property with similar characteristics and include a remainder interest in real property subject to a life estate.

Level 3 investments include those in which there is no active market. The Foundation holds no Level 3 investments at June 30, 2017 or 2016.

The Foundation adopted Accounting Standards Update 2015-07 which eliminates the requirement that investments valued using the net asset value expedient be categorized as Level 2 or 3. These investment are now shown in a separate column on the table below. This treatment was applied retroactively.

The following assets were measured at fair value on a recurring basis as of June 30, 2017 (in thousands):

	Fair Value Measurements Using				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at NAV	Total
June 30, 2017					
Type of Investment:					
Short-term money market funds	\$ 8	\$ 8	\$ -	\$ -	\$ -
Cash surrender value	406	406	-	-	-
Fixed income funds:					
Core	1,605	1,605	-	-	-
Core plus	4,382	4,382	-	-	-
Global	1,771	1,771	-	-	-
Treasury inflation protected securities	1,560	1,560	-	-	-
Equity funds:					
Large/mid-cap - broad	21,589	21,589	-	-	-
Large/mid-cap - value	6,541	6,541	-	-	-
Small cap - growth	1,267	1,267	-	-	-
International - core	7,066	7,066	-	-	-
International - value	5,326	5,326	-	-	-
International small cap - value	2,831	2,831	-	-	-
Emerging markets - value	4,533	4,533	-	-	-
Emerging markets - small cap	4,154	4,154	-	-	-
Real estate investment trust	16	16	-	-	-
Exchange traded funds	73	73	-	-	-
Remainder interest in real property and other	685	-	685	-	-
Public natural resources-master limited partnerships	3,117	-	-	-	3,117
Fixed income high yield	1,725	-	-	-	1,725
Private equity	6,738	-	-	-	6,738
Private debt	2,672	-	-	-	2,672
Natural resources	11,228	-	-	-	11,228
Private real estate	1,833	-	-	-	1,833
Low-volatility	11,080	-	-	-	11,080
Total	\$ 102,206	\$ 63,128	\$ 685	\$ -	\$ 38,393

The following assets were measured at fair value on a recurring basis as of June 30, 2016 (in thousands):

	Fair Value Measurements Using				Investments Measured at NAV
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
June 30, 2016					
Type of Investment:					
Short-term money market funds	\$ 7	\$ 7	\$ -	\$ -	\$ -
Cash surrender value	381	381	-	-	-
Fixed income funds:					
Core	1,554	1,554	-	-	-
Core plus	4,184	4,184	-	-	-
Global	1,852	1,852	-	-	-
Treasury inflation protected securities	1,572	1,572	-	-	-
Equity funds:					
Large/mid-cap - broad	19,697	19,697	-	-	-
Large/mid-cap - value	5,580	5,580	-	-	-
Small cap - growth	1,312	1,312	-	-	-
Small cap - value	1,556	1,556	-	-	-
International - core	6,251	6,251	-	-	-
International - value	2,964	2,964	-	-	-
International small cap - value	2,198	2,198	-	-	-
Emerging markets - value	3,553	3,553	-	-	-
Emerging markets - small cap	3,476	3,476	-	-	-
Real estate investment trust	15	15	-	-	-
Exchange traded funds	39	39	-	-	-
Remainder interest in real property and other	535	-	535	-	-
Public natural resources-master limited partnerships	3,059	-	-	-	3,059
Fixed income high yield	1,611	-	-	-	1,611
Private equity	6,765	-	-	-	6,765
Private debt	1,968	-	-	-	1,968
Natural resources	9,591	-	-	-	9,591
Private real estate	1,375	-	-	-	1,375
Low-volatility	10,037	-	-	-	10,037
Total	<u>\$ 91,132</u>	<u>\$ 56,191</u>	<u>\$ 535</u>	<u>\$ -</u>	<u>\$ 34,406</u>

d. Investments

The market value (in thousands) of the Foundation's investments as of June 30, 2017 and 2016 are categorized by type below:

	<u>2017</u>	<u>2016</u>
Type of Investment:		
Short-term money market funds	\$ 8	\$ 7
Cash and cash surrender value	530	474
Fixed income funds:		
Core	1,605	1,554
Core plus	4,382	4,184
Global	1,771	1,852
High yield	1,725	1,611
Treasury inflation protected securities	1,560	1,572
Equity funds:		
Large/mid cap - broad	21,589	19,697
Large/mid cap - value	6,541	5,580
Small cap - growth	1,267	1,312
Small cap - value	-	1,556
International - core	7,066	6,251
International - value	5,326	2,964
International small cap - value	2,831	2,198
Emerging markets - value	4,533	3,553
Emerging markets - small cap	4,154	3,476
Real estate investment trust	16	15
Exchange traded funds	73	39
Public natural resources - master limited partnerships	3,117	3,059
Remainder interest in real property and other	685	535
Private equity:		
Buyout	1,425	1,699
Diversified	1,683	2,015
Venture capital	1,115	972
Secondary	2,515	2,079
Private debt:		
Distressed	2,477	1,776
Mezzanine	195	192
Natural resources:		
Diversified	4,137	3,965
Energy	5,135	3,836
Commodities	1,956	1,790
Private real estate:		
Opportunistic	708	-
Value added	1,125	1,375
Low-volatility:		
Diversifying strategies	<u>11,080</u>	<u>10,037</u>
Total investments	<u>\$ 102,330</u>	<u>\$ 91,225</u>

Investment return (in thousands) for the years ended June 30, 2017 and 2016 consist of:

	<u>2017</u>	<u>2016</u>
Interest and dividend income		
(net of investment fees: 2017 - \$593, 2016 - \$470)	\$ 1,135	\$ 1,427
Net realized gains	2,006	2,968
Net unrealized gains (losses)	<u>8,120</u>	<u>(6,830)</u>
Total investment return	<u>\$ 11,261</u>	<u>\$ (2,435)</u>

The Foundation records the cost of managing its endowment portfolio as a decrease in investment income within the appropriate net asset class in the consolidated statement of activities. Some of the Foundation's investment managers report investment transactions net of fees. The fees noted above are only those fees separately stated by the managers.

The investments of the Foundation are commingled with certain investments which the Foundation holds in trust for Northern Kentucky University. The market value of funds held in trust for the University at June 30, 2017 and 2016 was \$12,968,000 and \$11,795,000, respectively. See Note 14g. for further explanation of the trust funds.

At June 30, 2017 and 2016, the Foundation had committed \$39.1 and \$35.9 million, respectively, of its endowment investment resources to alternative investments, of which \$7.5 and \$8.2 million, respectively, had not yet been called by the investment managers. Alternative investments for which commitments have been made consist of private equity/debt, natural resources, private real estate and low-volatility.

Alternative investments of the Foundation have limited marketability and the related investment agreements generally contain restrictive redemption provisions to the extent that the underlying investments should be considered illiquid for the duration of the investment through normal maturity. Early redemption of such investments would likely result in recovery of significantly less than the original investment amount. Foundation management believes the investment portfolio contains sufficient liquidity among other asset classes to make early redemption of alternative investments unlikely for reasons of meeting current spending needs.

e. Endowments

The Foundation's endowment consists of 307 individual funds established for a variety of purposes. Its endowment includes both donor-restricted funds and funds designated by the Board of Directors to function as endowments (quasi-endowments). Net assets associated with endowment funds, including quasi-endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. The board, at their discretion, can at any time permit spending from the principal of any quasi-endowed fund, provided the expenditure complies with any donor-imposed restrictions related to the fund.

Kentucky enacted the Kentucky Uniform Prudent Management of Institutional Funds Act (KUPMIFA), the provisions of which apply to endowment funds existing on or established after enactment, with an effective date of July 15, 2010.

An interpretation of KUPMIFA provisions by the Foundation Board of Directors requires that the historical dollar amount of a donor-restricted endowment fund be preserved. As a result of this requirement, the Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, and (b) the original value of subsequent gifts to the permanent endowment. In the absence of donor restrictions, the net appreciation on a donor-restricted endowment fund is spendable. The net appreciation of donor-restricted endowment funds is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation.

Under KUPMIFA, the Foundation endowment spending policy allows for prudent spending of future endowment earnings for accounts without accumulated earnings based upon consideration of the following factors, if applicable:

- Duration and preservation of the endowment fund
- Purpose of the institution and the endowment fund
- General economic conditions
- Possible effect of inflation or deflation
- Expected total return on investments
- Other resources of the institution
- Investment policy

The approved annual endowment spending rate is reduced by a proportion of 5 percent for each 1 percent the affected endowment is below the value of original and subsequent gifts to the permanent endowment (i.e. principal).

Return Objectives and Risk Parameters. 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 seeking to maintain 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 a rate equal to the Consumer Price Index plus 5 percent, net of investment fees. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives. 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 includes fixed income investments as well as publicly traded equity-based investments and various alternative investment strategies to achieve its long-term return objectives within prudent risk parameters.

Spending Policy and How the Objectives Relate to Spending Policy. The spending policy calculates the amount of money annually distributed from the Foundation's various endowed funds, for grant making and administration. The current spending policy is to distribute an amount at least equal to 3-5 percent of a moving sixteen quarter average of the fair value of the endowment funds. Accordingly, over the long term, the Foundation expects its current spending policy to allow the Foundation to meet its objective to maintain the historical dollar amount of endowment assets as well as to provide additional real growth through investment return.

Endowment net asset composition by type of endowment (in thousands) as of June 30, 2017 is as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Net Endowment Assets</u>
Donor restricted endowment funds	\$ -	\$ 34,531	\$ 44,223	\$ 78,754
Quasi-endowment funds	2,449	6,048	-	8,497
Total endowment funds	<u>\$ 2,449</u>	<u>\$ 40,579</u>	<u>\$ 44,223</u>	<u>\$ 87,251</u>

Changes in endowment net assets (in thousands) as of June 30, 2017 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Net Endowment Assets</u>
Endowment net assets, beginning of year	\$ 2,158	\$ 32,638	\$ 43,018	\$ 77,814
Contributions collected	-	13	947	960
Investment income	31	1,067	-	1,098
Net investment gain (loss)	280	9,699	-	9,979
Amounts appropriated for expenditure	(20)	(2,838)	-	(2,858)
Reclassify to permanently restricted	-	-	258	258
Endowment net assets, end of year	<u>\$ 2,449</u>	<u>\$ 40,579</u>	<u>\$ 44,223</u>	<u>\$ 87,251</u>

Endowment net asset composition by type of endowment (in thousands) as of June 30, 2016 is as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Net Endowment Assets</u>
Donor restricted endowment funds	\$ -	\$ 26,575	\$ 43,018	\$ 69,593
Quasi-endowment funds	2,158	6,063	-	8,221
Total endowment funds	<u>\$ 2,158</u>	<u>\$ 32,638</u>	<u>\$ 43,018</u>	<u>\$ 77,814</u>

Changes in endowment net assets (in thousands) as of June 30, 2016 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Net Endowment Assets</u>
Endowment net assets, beginning of year	\$ 2,244	\$ 37,760	\$ 42,394	\$ 82,398
Contributions collected	-	28	624	652
Investment income	38	1,345	-	1,383
Net investment gain (loss)	(106)	(3,787)	-	(3,893)
Amounts appropriated for expenditure	<u>(18)</u>	<u>(2,708)</u>	<u>-</u>	<u>(2,726)</u>
Endowment net assets, end of year	<u>\$ 2,158</u>	<u>\$ 32,638</u>	<u>\$ 43,018</u>	<u>\$ 77,814</u>

Funds with Deficiencies. 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 KUPMIFA requires the Foundation to retain as a fund of perpetual duration. Deficiencies of this nature that are reported in unrestricted net assets were approximately \$33,000 at June 30, 2016. The deficiencies resulted from unfavorable market conditions that occurred after the investment of permanently restricted contributions and continued appropriation for certain programs that was deemed prudent by the Board of Directors. There were no such deficiencies at June 30, 2017.

f. Contingent Liabilities

Legal counsel for the Foundation have advised that they know of no pending or threatened litigation, claims or assessments involving the Foundation that could have a material adverse financial effect on the Foundation.

g. Regional University Excellence Trust Fund

The Foundation holds certain funds, consisting of endowment matching funds received by Northern Kentucky University from the Commonwealth of Kentucky's Regional University Excellence Trust Fund, which were subsequently transferred to the Foundation for management and investment. The Foundation reports these funds and accumulated earnings as assets held in trust for the University. Investment earnings, gains and losses and expenditures from these funds are reported as changes in the balance held in trust rather than as revenue and expenses of the Foundation.

h. Subsequent Events

Events occurring after June 30, 2017 have been evaluated for possible adjustment to the consolidated financial statements or disclosure through October 2, 2017, the date on which the consolidated financial statements were available to be issued.

i. Related Party Transactions

During the years ended June 30, 2017 and 2016, the Foundation made payments on behalf of the University of \$396,000 and \$434,000, respectively, for salaries, benefits, and other administrative costs for University staff that directly support the Foundation's operations. These payments are made by agreement between the Foundation and University. As of June 30, 2017, approximately \$40,000 was owed to the University for such costs. As of June 30, 2016, there were no amounts owed to the University for such costs.

In support of University programs for the year ended June 30, 2017 and 2016, the Foundation made payments on behalf of the University of \$3,710,000 and \$3,908,000, respectively. In addition, the Foundation transferred to the University \$2,703,000 in 2017 and \$1,893,000 in 2016 for restricted purposes.

Required Supplementary Information

Northern Kentucky University
A Component Unit of the Commonwealth of Kentucky
Schedule of Proportionate Share of the Collective Net Pension Liability
Kentucky Employees' Retirement System
(in thousands)

	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Nonhazardous			
University's proportionate share of the net pension liability	2.403742%	2.447755%	2.489115%
University's proportionate share of the collective net pension liability	\$ 274,014	\$ 245,556	\$ 223,319
University's covered-employee payroll	\$ 39,206	\$ 37,799	\$ 39,266
University's proportionate share of the net pension liability as a percentage of its covered-employee payroll	698.91%	649.64%	568.74%
Pension plan fiduciary net position as a % of the total pension liability	14.80%	18.83%	22.32%
Hazardous			
University's proportionate share of the net pension liability	0.401133%	0.444514%	0.414511%
University's proportionate share of the collective net pension liability	\$ 1,571	\$ 1,524	\$ 1,059
University's covered-employee payroll	\$ 637	\$ 563	\$ 535
University's proportionate share of the net pension liability as a percentage of its covered-employee payroll	246.58%	270.64%	197.84%
Pension plan fiduciary net position as a % of the total pension liability	57.41%	61.70%	68.74%

*The amounts presented for the fiscal year were determined as of June 30 of the previous fiscal year (measurement date).

Northern Kentucky University
A Component Unit of the Commonwealth of Kentucky
Schedule of University Contributions
Kentucky Employees' Retirement System
(in thousands)

	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Nonhazardous			
Contractually required contribution	\$ 14,738	\$ 12,069	\$ 12,320
University's contributions in relation to the contractually required contribution	<u>14,738</u>	<u>12,069</u>	<u>12,320</u>
Contribution deficiency	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 36,626	\$ 39,131	\$ 39,948
Contributions as a percentage of covered-employee payroll	40.24%	30.84%	30.84%
Hazardous			
Contractually required contribution	\$ 170	\$ 127	\$ 136
University's contributions in relation to the contractually required contribution	<u>170</u>	<u>127</u>	<u>136</u>
Contribution deficiency	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 806	\$ 776	\$ 831
Contributions as a percentage of covered-employee payroll	21.08%	16.37%	16.37%

*The amounts presented for the fiscal year were determined as of June 30.

LEXINGTON HERALD-LEADER

Morehead State saving \$1 million by axing these five administrative posts

By Linda Blackford

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February 26, 2018 03:02 PM

Morehead State University will save \$1 million by cutting five upper level administration positions, another belt tightening move amid state budget cuts and rising pension costs.

Earlier this month, Morehead President Jay Morgan [announced](#) the school would offer voluntary buyouts to up to 25 employees.

Last week, the Morehead State Board of Regents approved cutting the five administrative posts, including:

- Vice President for Administration. Morgan said the current vice president, Beth Patrick, is leaving April 30.
- Facility Management Director. This position's duties will now be handled by Procurement Director Andrea Fryman..
- Assistant Vice President for Student Engagement. The person in this role is being moved to another position.
- Associate Vice President for Academic Success. This position is currently empty.
- Assistant Vice President for Regional Engagement. This position is currently empty.

“This shows that President Morgan is sincere when he says that he is looking at all areas, all units of Morehead State, in cutting costs in order to make us more efficient going forward and preparing us for what lies ahead,” said Suzanne Tallichet, chairwoman of Morehead’s faculty senate. “We applaud his efforts and will continue to work with him in these uncertain times.”

In Gov. Matt Bevin’s proposed state budget budget, Morehead faces a 6.25 percent cut, or \$2.5 million, in state funding on top of a possible \$2.7 million increase in pension payments. With fixed cost increases, the actual deficit could be as much as \$9 million in each of the next two

years. The school also faces dropping enrollment because it draws heavily from Eastern Kentucky, where the economy has been decimated by the coal industry's decline.

All eight public universities are facing [dire financial straits](#) because of a decade's worth of budget cuts, and regional universities [are further hampered](#) by big jumps in pension obligations to Kentucky's ailing state pension systems. The University of Kentucky and the University of Louisville have self-funded retirement systems.

Last week, Western Kentucky University [announced](#) it would cut 140 positions.

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Read more here: [<http://www.kentucky.com/news/local/education/article202206859.html>](http://www.kentucky.com/news/local/education/article202206859.html)

WKU Budget Restructuring Plan:
Recommendations to President Caboni

WKU Budget Council

February 20, 2018

Executive Summary

In the fall of 2017, WKU President Timothy Caboni redefined the responsibilities of the WKU Budget Council (the Council). The reconstituted Council, which is advisory to the President, includes four faculty members, five staff members, and one student. President Caboni asked the Council to (1) address the current revenue shortfall, (2) examine current expenditures and funding priorities, and to (3) evaluate budget models that will (4) favorably position WKU in the context of the state's performance metrics for higher education. The Council developed the following recommendations to address charges (1) and (2), and recommended hiring a consulting firm, Huron, to address charges (3) and (4).

The current (FY 2018) deficit amounts to \$10,976,000, and WKU projects an additional \$3,900,000 deficit due to projected enrollment declines this year. The President gave the Council a budget reduction target of \$15 million for FY 2019, which is approximately 5% of WKU's unrestricted operating budget. At a later stage, the Council and the campus community will need to act to address an anticipated 2018-2019 enrollment decline, state funding cuts, and an increase in required pension contributions.

The Council limited its review of the current budget to unrestricted funds. The Council did not review restricted, carry forward, and auxiliary enterprise funds. The budgeted amount under review was approximately \$300 million. President Caboni asked the Council to recommend strategic, rather than across-the-board, budget reductions in order to balance the budget. To guide its evaluation and decision-making process, the Council compiled data and developed common criteria, standards, evaluative measures, and cost saving measures that it applied across the university's divisions and units. The Council attempted to meet its charges while also advancing the central mission of the university, which is to educate WKU's students, prepare them for lifelong success, and act as an economic and intellectual engine for the region.

Summarized below are the Council's recommended budget reductions by division and type. Recommendations reflect the majority opinion of the Budget Council.

Unit	Amount	% of Total Reduction
Academic Affairs	\$7,366,584	46.1%
Athletics	\$1,346,259	8.4%
Facilities	\$609,060	3.8%
Philanthropy	\$717,320	4.5%
Finance and Administration	\$718,537	4.5%
General Counsel	\$28,807	0.2%
Information Technology	\$844,287	5.3%
Public Affairs	\$540,479	3.4%
Student Affairs	\$888,760	5.6%
President	\$85,327	0.5%
University Wide	\$646,550	4.0%
Other (F&A, assessment on revenue, etc.)	\$2,192,953	13.7%
Total	\$15,984,923	

The following table illustrates the proportion of cuts to salaries and benefits (in both vacant and currently filled positions) to operating budget cuts in the reduction total.

	Personnel*	Non-Personnel	TBD
Reduction Total	\$9,924,205	\$3,064,968	\$3,005,671

**All position eliminations effective July 1, 2018*

Unit leaders—including Deans and Vice Presidents—who are closest to activities within their division may choose to implement these cuts in a manner different from the Council’s recommendations. The integrity of the budget stabilization process, however, requires that unit leaders strictly adhere to the split between personnel and non-personnel reductions.

WKU cannot continue to employ fiscal practices that use one-time funds to fill recurring deficits, budget on unrealistic revenue projections, or spend beyond its means. These recommendations are a long overdue and necessary first step in WKU’s budget stabilization and restructuring process. The ultimate goals of the process are to achieve sustainable solvency, transparency, and accountability. Achieving these goals will take time and coordination between the President, campus leadership, and the various bodies involved in strategic planning and budget model redesign.

Finally, The Council recommends a four percent campus-wide salary increase pool. The Committee’s hope is that going forward, WKU will employ a new budget model, base its budget on realistic revenue projections, and regularly re-evaluate and balance its budget. Furthermore, the budget will continue to evolve in response to enrollment trends, the state budget (including pension pressures), and the strategic planning process. The Budget Council is optimistic that WKU will emerge from the budget restructuring process with a firm foundation for continuing success. The Council recommends a four percent campus-wide salary increase pool—that goes into effect on January 1, 2019—for FY 2019.

Scope and Objectives

The scope for this project was limited to examining the unrestricted Educational and General (E & G) budget. The total budget balance under consideration was approximately \$300 million. The Council also examined WKU's budgeting and spending policies and procedures.

These are the key objectives of these recommendations:

- Reduce the university's E & G budget by at least \$15 million in FY 2019 in order to reduce the current budget shortfall.
- Implement budgeting and spending policies and procedures that will foster WKU's long-term solvency.
- Lay groundwork for WKU to not just survive but thrive in the face of adverse state funding and demographic trends.

Budget Reduction Plan Guiding Principles

The Council adopted the following guiding principles to provide consistency and accountability to its planning and recommendations:

- Minimize negative impacts on student success, academic excellence, and the health and safety of WKU's students and employees.
- Compile data and use it to develop evaluation measures that are applicable across WKU's unit and division boundaries and other silos of administrative authority or operations.
- Identify reasonable efficiencies wherever possible.
- Implement policies and best practices that will yield long-term solvency.
- Provide rationale for budget reduction recommendations that are supported by data or common criteria.
- While achieving the objectives, avoid making recommendations that are within the decision-making scope of the ongoing strategic planning and budget restructuring processes.

Budget Reduction Cost Drivers and Cost-Saving Measures

Cost Drivers

To determine appropriate cost reduction recommendations, The Council used the Fact Book and worked with Institutional Research to compile data and develop pertinent evaluative measures and cost driver models. Data collected spanned five fiscal years.

The Council considered a wide range of approaches. It developed the following evaluative measures and cost drivers and used them to inform its recommendations on budget reductions to units outside the university's academic colleges.

Cost Driver	Changes, 5 Year Trend
Number (#) of Full-time Staff	(11%)
Number (#) of Full-time Faculty	(1%)
Number (#) of Full-time Equivalent Students	(6%)*
Enrollment	(4%)
Administration:Instruction Spending Ratio	9%**

**Excludes dual credit and on-demand students*

***Actual spending on Administration has increased by 9.6% from FY 2013, while spending on Instruction has increased only 6.5%.*

The Council based recommended reductions to academic college and department budgets on long-term trends in SCHP (Student Credit Hour Production) and program enrollment. The following table shows five-year SCHP and enrollment trends by college.

College	SCHP	Enrollment
CEBS	(34.9%)	(32.1%)
OCSE	8%	10%
CHHS	(0.2%)	(1.3%)
GFCB	28.1%	17.5%
UC	(4.5%)	(30.2%)
PCAL	(10.7%)	(12.4%)

Summary of Cost-Saving Approaches

The Council applied the following cost saving and budget reduction approaches to academic and non-academic units as appropriate:

- Eliminate vacant faculty and staff positions.
- Combine or eliminate duplicative services, positions, or programs.
- Eliminate discretionary salary contingent budgets.
- Implement a seven percent assessment on revenue from workshop and revenue dependent indexes to assist with costs incurred by the university to support their operations. The Council recommends that these indexes be exempt from any future assessment on carry forward funds.
- Eliminate cell phone plan allowances to reflect that any work-related cell phone usage typically does not impose any incremental costs.
- Reduce the current fleet of all university owned vehicles of over 250 vehicles by 25 percent in the next twelve months. Create an approval process for any new acquisitions in an effort to continue fleet size reduction and to ensure cost effectiveness versus renting or leasing.
- Make revenue-producing units revenue-dependent when practical.
- Where feasible, reorganize units so that they share support services and administration (i.e., “core services model” organization).
- Implement a seven percent cut to top-level administrative indexes to reflect the fact that WKU is a smaller organization—both in terms of number of students we serve and the number of full-time faculty and staff—than it was five years ago.

Recommendations for the FY 2019 Budget

WKU will continue to use its current incremental budgeting model as it formulates the FY 2019 budget. Until WKU implements a new budget model, the Council recommends that the President and campus leadership pursue the following strategic objectives:

- **ACCEPT** - Compensation for faculty and staff is a critical strategic priority that must be addressed during the budget stabilization and restructuring process, and even as the university right-sizes itself. The Council recommends a four percent campus-wide salary increase pool—that goes into effect on January 1, 2019—for FY 2019.

- **ACCEPT** - The ongoing budget stabilization and restructuring process should advance the institutional goals and strategies outlined by the WKU Strategic Planning Committee, the Resource Allocation, Management, and Planning Committee (RAMP), and other relevant planning bodies.

Recommended Policies, Strategies, and Procedures

WKU must implement new policies, strategies, and practices to balance and rationalize the university's budget. The overarching goals of the following recommendations are to (a) enact "best practice" policies that will encourage fiscal sustainability and accountability; (b) support WKU's strategic realignment; and (c) reduce unnecessary costs.

I. Policy Recommendations: The Budget Council recommends implementing the following: within the next 12-18 months.

- **ACCEPT - Regional Campuses**: Evaluate viability of all regional campuses. Where possible, communicate with local government leaders in each location to explore potential fiscal partnerships. However, WKU should remain fully committed to its mission of providing postsecondary throughout its service region.
- **ACCEPT - Activities-Based Costing and Resource Allocation**: Where feasible, align budget allocations to expenditures and changes in staffing and activities. Going forward, productivity data, net tuition revenue, and other appropriate metrics should drive resource allocation decisions.
- **TO STRATEGIC PLANNING - Institutional Scholarships**: Develop and implement a new strategy that balances awarding scholarships based on academic merit and financial need; focuses on enhancing student retention and persistence, and stabilizing enrollment; and results in "net revenue positive" investments in students.
- **TO STRATEGIC PLANNING - Academic Program Review**: The Academic Program Review process should be revised to incorporate measures of fiscal accountability that are related to long-term trends in programs' academic activities and demand for services. The revised Academic Program Review process should be used to restructure program budgets accordingly, on an ongoing basis. The revised Academic Program Review process should align with SACSCOC and AAUP guidelines and best practices, and be used to support the new Strategic Plan.
 - While the foundation for the Program Review should be laid as soon as possible, the formal process should begin as soon as the new Provost takes office in July 2018. One outcome of this Program Review may be to realize quantifiable savings. The Program Review should be completed by Nov. 30th 2018.
- **TO STRATEGIC PLANNING - Post Tenure Review for Faculty**: WKU's institutional success rests on faculty tenure. WKU should explore instituting a post-tenure review process that adheres to AAUP and other professional "best practices," and enhances the effectiveness of tenured faculty.
- **ACCEPT - Continuance Reviews for all University Leadership Positions**: Establish regular continuance reviews for all University leadership positions, similar to existing processes for Deans and Department heads.

- **ACCEPT - Shared Service Model:** Improve collaboration between service units, and explore a shared service center model to improve efficiency and effectiveness.
- **ACCEPT - Faculty Transitional Retirement:** In consultation with Council of Academic Deans and Human Resources, restructure the Transitional Retirement program to be responsive to future resource needs and to make it more cost-effective. For example, consider shortening the program to an initial 2 years (with possibility of an additional year, subject to review) at 50 percent of base salary and include a mandatory one-year notification period. Any faculty transitional retirement options are contingent upon university needs and approval of unit head.
- **ACCEPT - Staff Transitional Retirement:** In consultation with Human Resources, develop and implement an optional transitional retirement plan for staff. Any staff transitional retirement options will be contingent upon university needs and approval of unit head.
- **Construction Projects:**
 - **REJECT** - Until the budget is balanced, freeze new building projects that add fixed costs to the university's operating budget.
 - **ACCEPT** - Develop a policy that requires a full assessment of and plan for budgeting ongoing operating costs (maintenance, utility costs, depreciation, etc.) in addition to the construction and financing costs.
- **ACCEPT - Inter-Office Charging:** Implement a policy stating that units should not cover any budget reductions-increasing charges to other units for services performed. (Parking Services is excluded because going forward they will be revenue dependent, and current parking fees are below benchmarks.)
- **EVALUATE / TAKE UNDER ADVISEMENT - Administrator Salaries:** Implement a policy stating that as contracts or employee agreements are created for senior administrators with academic rank (i.e. EEO 10), position salaries should be bifurcated into a core faculty salary with an administrative supplement. At the conclusion of administrative service and departure from the administrative role, the salary calculation for those who return to faculty status will not include the administrative increment. The core faculty salary may not then be higher than the highest faculty salary of their same rank in their tenure home.
- **ACCEPT - Revenue-Dependent Units:** Where feasible, make revenue producing units revenue dependent. Implement a 7% assessment on actual revenue from revenue dependent and workshop indexes to assist with operating costs incurred by the university on their behalf, and revise the Carry Forward policy as appropriate.

II. Division-specific recommendations. The Budget Council recommends that WKU consider implementing the following strategies, taking into consideration the new Strategic Plan and budget model.

- **ACCEPT -Travel:**
 - Explore new policies or practices to reduce travel costs. New software (such as Concur) or outsourcing of travel services may reduce travel expenses and standardize travel spending behaviors for more efficient tracking and processing of travel expense vouchers.

- Review faculty-led Study Abroad options, policies, and procedures.
- **ACCEPT - DELO:** Reevaluate DELO's governance structure for more accountability, and reevaluate revenue sharing and definition of effort.
- **Enrollment Management:**
 - **TO STRATEGIC PLANNING** - Hire expert consultants to examine WKU's Enrollment Management structure and strategies, with an eye toward consolidating EM personnel, strategies, and practices and increasing their effectiveness.
 - **ACCEPT** - Consolidate enrollment management and student-facing units under a single organizational structure.
- **ACCEPT - Fees:** Conduct a comprehensive evaluation of all university and academic fees with an eye toward simplification, transparency, and reduction where feasible.
- **TO STRATEGIC PLANNING - Internationalization Programs:** Programs, offices, and personnel associated with WKU's international foci (both "outbound" and "inbound" programs) should be reviewed, with an eye toward consolidating personnel, strategies, and services that are redundant, and where synergies could advance the overall internationalization agenda.
- **TO STRATEGIC PLANNING - Advising:** Review advising structures for effectiveness and efficiency.
- **ACCEPT - Foundations:** Find efficiencies through examining operations of and possible organizational combinations of WKU Research Foundation, the Office of Research and Creative Activity and the Center for Research and Development.
- **ACCEPT - Philanthropy:** Any post-capital campaign bonuses must be funded by campaign dollars.
- **Athletics:**
 - **ACCEPT** - Ensure institutional support for Athletics is addressed in the RAMP process in the development of a new budget model.
 - **EVALUATE / TAKE UNDER ADVISEMENT** - The growth in per athlete athletic spending should not outpace the growth in per student academic spending.
- **EVALUATE / TAKE UNDER ADVISEMENT - Office of Internal Audit:** The Board of Regents is encouraged to consider moving the reporting structure of the Office of Internal Audit to report administratively directly to the WKU President while reporting functionally to the Board of Regents.
- **Admissions and Recruitment:**
 - **TO STRATEGIC PLANNING** - Tuition Strategy: Consider implementing new tuition structures including:
 - Incremental tuition: Charge additional tuition to undergraduate students who enroll in more than 16 credit hours of coursework in a semester.
 - Differential tuition: Explore implementing new tuition structures that take into account cost of instruction/delivery of programs and student demand.

- **ACCEPT** - Undergraduate Admissions: To enhance retention and persistence, revise admission policies/practices to end admission of undergraduate students with CAI scores below 60.
- **EVALUATE / TAKE UNDER ADVISEMENT** - WKU should explore the implications of raising the CAI threshold to 65 or higher.
- **Human Resources:**
 - **TO STRATEGIC PLANNING** - Standardization: Standardize the processes and policies for awarding staff compensation adjustments and reclassifying positions. Standardize position descriptions and pay grades for similar positions across campus.
 - **ACCEPT** - Personnel Actions Approval Committee (PAAC): Continue to use PAAC to control personnel costs strategically until WKU fully implements the new budget model.
- **Purchasing:**
 - **ACCEPT** - Continue to evaluate spending in order to reduce unnecessary purchasing and Personal Services Contracts (especially during the final three months of the fiscal year).
 - **ACCEPT** - Reduce number of WKU owned vehicles by 25% (from more than 250). Create a process by which any new acquisition will be approved in an effort to continue fleet size reduction and to ensure cost effectiveness versus renting or leasing.
- **ACCEPT FOR OVER A CERTAIN SALARY / EVALUATE REST - Cell Phones:** Eliminate cell phone plan allowances to reflect that any work-related cell phone usage typically does not impose any incremental costs.

MEMORANDUM

To: PCC

From: K. Katkin, Chair

Re: Withdrawal of Application for Promotion During RPT Process

Date: March 1, 2018

At our meeting of February 15, 2018, PCC voted to recommend to Faculty Senate that the Faculty Handbook be amended to allow a faculty member to withdraw the application for promotion and/or tenure after receiving a negative recommendation from the departmental review committee. On February 26, 2018 Faculty Senate discussed this recommendation. During this discussion, several Senators raised practical concerns about whether the ten-day window for withdrawal recommended by PCC was too long. In particular, Senators were concerned that in the ordinary course, department chairs often take action on an RPT Committee's recommendation sooner than ten days after receiving such a recommendation.

Because the intent of PCC was to recommend that a faculty member should be allowed to withdraw an application before the department chair takes action, the Senate moved to remand the item back to PCC for clarification. Specifically, the Senate expressed a sense that the applicant should have only three business days to withdraw the application after receiving a negative recommendation from the RPT Committee, and that the Handbook should also specify that the department chair should not make any recommendation until those three business days have passed.

Accordingly, to implement Senate's directive, PCC should consider rescinding its earlier recommendation, and replacing it with the following:

Proposed Amendment to Faculty Handbook Section 3.2.6:

To enable a faculty member to withdraw the application and materials after receiving a negative recommendation from the departmental review committee, a sentence should be added to the end of current Faculty Handbook Section 3.2.6 that would read:

After receiving a negative recommendation from the committee, the applicant may elect within three business days to withdraw the application and terminate the RPT process.

As amended, Section 3.2.6 would thus read:

3.2.6. DEPARTMENT/SCHOOL COMMITTEE: VOTING AND REPORTING

Each member of the committee shall have one vote. Each member is required to vote on each matter before the committee. A member who has not reviewed materials submitted by the applicant or fully participated in the committee discussion of the applicant cannot vote on that applicant. The recommendation of the committee shall be reported in writing to the department chair or school

director and must be characterized as either unanimous or non-unanimous. The recommendation of the committee will reflect the committee's deliberations and must be signed by all committee members. In cases where the committee vote is not unanimous, support for both positive and negative votes must be included in the recommendation. In the case of a tie vote, the committee's recommendation will be deemed a positive recommendation. A copy of the recommendation will be given to the applicant. **After receiving a negative recommendation from the committee, the applicant may elect within three business days to withdraw the application and terminate the RPT process.**

Proposed Amendment to Faculty Handbook Section 3.2.7:

To ensure that the department chair does not take action on a recommendation from an RPT Committee before the applicant has time to withdraw the application and materials after receiving a negative recommendation from the departmental review committee, the words “**No sooner than three business days. . .**” should be inserted at the beginning of current Faculty Handbook Section 3.2.7. As amended, Section 3.2.7 would then read as follows:

3.2.7. CHAIR/DIRECTOR

No sooner than three business days after receipt of the committee recommendation, the department chair or school director shall make a recommendation to the dean in writing. The chair or director may consult with the department or school committee prior to making a recommendation, but not with committee members individually. As part of his or her deliberations, the department chair or school director may meet with the applicant to aid in his or her decision. The reasons for the department chair's or school director's recommendation, whether positive or negative, shall be included in the recommendation. The department chair or school director shall forward his or her recommendation, the department or school committee's recommendation, and the applicant's file to the appropriate dean. A copy of the department chair's or school director's recommendation shall be given to the applicant and all members of the department or school committee.

CONCLUSION

The PCC recommends that Faculty Senate should approve the preceding amendment to Sections 3.2.6 and 3.2.7 of the NKU Faculty Handbook.

APPENDICES

APPENDIX A

POLICY ON ADMINISTRATORS RETURNING TO FACULTY STATUS

An administrator with faculty tenure who is not covered by the Faculty Handbook or the Chair's Handbook may return to faculty status by resigning his/her position and having the resignation accepted by the appropriate vice president or the president in the case of vice presidents. The following conditions are applicable:

An administrator who has less than five (5) years of service may return to faculty status at a salary base to be determined according to the appropriate discipline and rank.

After five years of service as an administrator:

1. An administrator will be granted a one-semester's paid leave to prepare him/herself for other service to the University such as classroom teaching, special projects, etc. A description of the proposed project will be required to receive this leave, followed by a report on the project upon return to the University.
2. The administrator's salary will be reduced by 15 percent and his/her contract written for a ten-month period (if appropriate).
3. Any unused vacation days will be calculated and paid to the Administrator at the date of his/her last working day in an administrative capacity.

If an administrator has served in such a capacity for more than ten (10) years, he/she may be granted a full year of paid leave; the conditions listed above in Items 1, 2, and 3 will apply.

CONSENSUAL RELATIONSHIPS

POLICY NUMBER: RESERVED FOR FUTURE USE

POLICY TYPE: HYBRID - ACADEMIC/ADMIN

RESPONSIBLE OFFICIAL TITLE: INTERIM CHIEF ADMINISTRATION OFFICER; VICE PRESIDENT, STUDENT AFFAIRS; PROVOST

RESPONSIBLE OFFICE: STUDENT CONDUCT, RIGHTS, & ADVOCACY; HUMAN RESOURCES; PROVOST

EFFECTIVE DATE: UPON APPROVAL

NEXT REVIEW DATE: APPROVAL PLUS FOUR YEARS

SUPERSEDES POLICY DATED: N/A

REQUIRES LEGAL/COMPLIANCE REVIEW:

(PER SECTION V. OF THE APPROVED POLICY REQUEST FORM) YES NO

REQUIRES I.T. POLICY COUNCIL REVIEW:

(PER SECTION V. OF THE APPROVED POLICY REQUEST FORM) YES NO

REQUIRES HUMAN RESOURCES REVIEW:

(PER SECTION V. OF THE APPROVED POLICY REQUEST FORM) YES NO

BOARD OF REGENTS REPORTING (CHECK ONE)::

(PER SECTION V. OF THE APPROVED POLICY REQUEST FORM):

PRESIDENTIAL RECOMMENDATION (CONSENT AGENDA/VOTING ITEM):

PRESIDENTIAL REPORT (INFORMATION ONLY)

I. POLICY STATEMENT

Northern Kentucky University (NKU) is committed to maintaining a working and academic environment free from conflict of interest, favoritism, and exploitation. This policy addresses romantic relationships and/or sexual interactions that, although consensual, may create actual and perceived conflicts of interest and create the possibility of favoritism or exploitation.

II. ENTITIES AFFECTED

All NKU employees (faculty, staff, administrators, and student workers) and students.

III. REASON FOR POLICY

University community members must be able to participate in university academic and/or workplace activities that are free from conflicts of interest, favoritism, and exploitation. Relationships between certain categories of individuals that are associated with the university risk undermining the educational purpose of the university and can disrupt the working and educational environment.

IV. DEFINITIONS

Consensual Relationship – A romantic relationship and/or sexual interaction agreed to by the involved parties (even if it is a single interaction).

Consent – Consent is clear, knowing, and voluntary. Silence, in and of itself, cannot be interpreted as consent. Verbal consent is not a requirement of this policy; however, consent may be given by words as long as those words create mutually understandable, clear permission regarding willingness to engage in sexual activity.

Consent to one form of sexual activity does not imply consent to any other forms of sexual activity. Previous relationships or prior consent cannot imply consent to future sexual acts.

Kentucky law (**KRS §510.020**) states:

Lack of consent results from:

- a) Forcible compulsion;
- b) Incapacity to consent; or
- c) If the offense charged is sexual abuse, any circumstances in addition to forcible compulsion or incapacity to consent in which the victim does not expressly or impliedly acquiesce in the actor's conduct.

A person is deemed incapable of giving consent if he or she is:

- a) Less than sixteen (16) years old;
- b) An individual with an intellectual disability or suffering from a mental illness;
- c) Mentally incapacitated;
- d) Physically helpless; or
- e) Under the care or custody of a state or local agency pursuant to court order and the actor is employed by or working on behalf of the state or local agency.

Students – All those enrolled full-time or part-time in any course, program of study, or discipline.

Extended Family Member –

For purposes of this policy, an extended family member is defined as follows:

- Age 18 or older,
- Not related to the employee by blood, or if a blood relative (or relative by adoption or marriage) is of the same or younger generation than employee and
- Not legally married (to anyone), and
- Not currently eligible for Medicare, and
- Must reside in your household and have done so for a period of at least 12 months, and
- Must be financially interdependent for 12 months or longer.

The employee must be able to provide proof of financial interdependence with an extended family member through at least one of the following means:

- A joint mortgage, lease or other evidence of common residence such as utility bills in both names
- Durable property or health care power of attorney
- Joint ownership of a motor vehicle
- Joint checking account or credit card in both names
- Designation of each other as the primary beneficiary in a will, life insurance policy or retirement plan

V. RELATIONSHIPS SUBJECT TO THIS POLICY

This policy prohibits consensual relationships between:

Employees (faculty, staff and administrators)	AND	Undergraduate students
Employees (faculty, staff and administrators)	AND	Any graduate student the employee teaches, manages, supervises, advises, or evaluates in any way
Student employees (including resident advisors and assistants, and graduate research and/or teaching assistants)	AND	Any student that the student employee teaches, manages, supervises, advises, or evaluates in any way
Employees (faculty, staff and administrators)	AND	Any employee where one manages, supervises, and/or evaluates the other in any way

If there is any question whether or not a relationship falls within this policy, the employee in the position of greater power should contact their supervisor or the Director of Employee Relations and EEO in Human Resources for guidance.

If an employee (faculty, staff, administrator, or student employee) or student is involved in a relationship described above that began prior to the approval date of this policy, the employee in the position of greater power must contact their supervisor or the Director of Employee Relations and EEO in Human Resources to determine appropriate steps.

If the relationship exists prior to an individual being employed by NKU or becoming a student at NKU, the employee should contact Human Resources.

VI. RELATIONSHIPS NOT SUBJECT TO THIS POLICY

This policy does not apply to spouses or extended family members (domestic partners); for the definition of extended family members, please refer to Part IV of this policy.

Other policies exist that establish guidelines regarding spouses or relatives working in the same department; see the [Nepotism](#) policy.

VII. VIOLATION OF THIS POLICY

Any individual found to have violated this policy may be subject to disciplinary action up to and including termination. Adverse employment action will be taken only pursuant to applicable institutional handbooks and procedures.

Retaliation against a person who, in good faith, reports a potential violation under this policy, assists someone with a report of a violation, or participates in any manner in an investigation or in the resolution of a complaint made under this policy is strictly prohibited and will not be tolerated.

VIII. REFERENCES AND RELATED MATERIALS

REFERENCES & FORMS

NKU Human Resources definition of dependents eligible for benefits coverage (includes extended family members) - <https://inside.nku.edu/hr/benefits/health/dependentseligible.html>

RELATED POLICIES

[NKU Values and Ethical Responsibilities](#)

[Sexual Misconduct](#)

[Nepotism](#)

REVISION HISTORY

REVISION TYPE	MONTH/YEAR APPROVED
New Policy	
Choose an item.	

PRESIDENTIAL APPROVAL

PRESIDENT

Signature

Date

Gerard St. Amand

BOARD OF REGENTS APPROVAL

BOARD OF REGENTS (IF FORWARDED BY PRESIDENT)

- This policy was forwarded to the Board of Regents on the **Presidential Report (information only)**.
Date of Board of Regents meeting at which this policy was reported: ____/____/____.
- This policy was forwarded to the Board of Regents as a **Presidential Recommendation (consent agenda/voting item)**.
 - The Board of Regents approved this policy on ____/____/____.
(Attach a copy of Board of Regents meeting minutes showing approval of policy.)
 - The Board of Regents rejected this policy on ____/____/____.
(Attach a copy of Board of Regents meeting minutes showing rejection of policy.)

EXECUTIVE ASSISTANT TO THE PRESIDENT/SECRETARY TO THE BOARD OF REGENTS

Signature

Date

Benjamin Jager