

Norfolk State University
Proposed FY25 Budget - DRAFT
April 21, 2024

University Operating Budget

	FY24 Budget	Proposed FY25 Budget	Change
Revenue			
Educational and General			
General Fund			
General Fund Appropriations	\$78,273,131	\$82,502,359	\$4,229,228
In-State Tuition Affordability			\$0
GF July 1, 2021 Carry Forward			\$0
Non General Fund			
Higher Education Operating			
Tuition	\$50,467,577	\$54,927,857	\$4,460,280
Out of State Capital Outlay Fees	\$420,789	\$420,789 ²	\$0
Miscellaneous Revenue	\$1,044,106	\$1,044,106	\$0
Total Educational and General	\$130,205,603	\$138,895,111	\$8,689,508
Auxiliary Enterprises	\$57,295,407	\$64,932,308	\$7,636,901
Sponsored Programs	\$20,231,943	\$20,231,943	\$0
Student Financial Assistance	\$28,826,164	\$32,443,164	\$3,617,000
Local Funds	\$17,000,000	\$20,000,000	\$3,000,000
Total Revenues	\$253,559,117	\$276,502,526	\$22,943,409
Expenses			
Educational and General			
Instruction	\$54,316,015	\$55,710,798	\$1,394,783
Research	\$1,002,823	\$1,715,185	\$712,362
Public Service	\$653,790	\$857,635	\$203,845
Academic Support	\$17,973,544	\$18,813,315	\$839,771
Student Services	\$9,201,161	\$9,904,885	\$703,724
Institutional Support	\$21,247,813	\$24,945,146	\$3,697,333
Operations and Maintenance of Plant	\$15,651,239	\$15,871,170	\$219,931
Funding to Be Budgeted Later	\$5,026,351	\$5,944,110	\$917,759
Total Educational and General	\$125,072,736	\$133,762,244	\$8,689,508
Auxiliary Enterprises	\$55,871,164	\$64,932,308	\$9,061,144
Sponsored Programs	\$20,231,943	\$20,231,943	\$0
Student Financial Assistance	\$33,959,031 ¹	\$37,576,031 ¹	\$3,617,000
Local Funds	\$17,000,000	\$20,000,000	\$3,000,000
Total Expenses	\$252,134,874	\$276,502,526	\$24,367,652
Increase (Decrease) in Fund Balance	\$1,424,243	\$0	(\$1,424,243)

Notes:

1. SCHEV has passed a resolution requiring changes in the use and recording of tuition offsets. All merit-based tuition remissions must be funded through the use of tuition generated funding. To fulfill this requirement NSU will use the tuition charged to all students to fund tuition offsets. The University is awarding approximately \$5.1 million in tuition offsets.

All unfunded scholarships continue to require that the students receiving the awards must demonstrate financial need. In addition to the tuition funded assistance, the University is required to provide waivers to specific classes of individuals; waivers are projected at \$4 million. Additionally, NSU plans to award up to \$2 million in unfunded assistance to students in financial need. These awards will be supported by vacant positions that are currently funded.

2. The Commonwealth reduced the Capital Outlay Fee obligation for the University; the current obligation the University must provide to the Commonwealth is \$420,789. However, the University has not reduced the amount charged to nonresident students; the total collected will exceed the University's obligation to the State. The Capital Outlay Fee is a factor in the amount used by SCHEV for the annual full cost of education calculation. SCHEV's latest calculation shows that NSU is charging nonresident student less than the full cost of education. All revenue in excess of the amount needed for the Capital Outlay Fee obligation remains in E&G and is used to support E&G functions.

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Educational and General Schedule

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Revenue			
Educational and General			
General Fund			
General Fund Appropriations	\$78,273,131	\$82,502,359	\$4,229,228
In-State Tuition Affordability			\$0
GF July 1, 2021 Unallotted Appropriations			\$0
Non General Fund			
Higher Education Operating			
Tuition	\$50,467,577	\$54,927,857	\$4,460,280
Out of State Capital Outlay Fees	\$420,789	\$420,789	\$0
Miscellaneous Revenue	<u>\$1,044,106</u>	<u>\$1,044,106</u>	<u>\$0</u>
Total Educational and General	\$130,205,603	\$138,895,111	\$8,689,508
Expenses			
Instruction	\$54,316,015	\$55,710,798	\$1,394,783
Research	\$1,002,823	\$1,715,185	\$712,362
Public Service	\$653,790	\$857,635	\$203,845
Academic Support	\$17,973,544	\$18,813,315	\$839,771
Student Services	\$9,201,161	\$9,904,885	\$703,724
Institutional Support	\$21,247,813	\$24,945,146	\$3,697,333
Operations and Maintenance of Plant	\$15,651,239	\$15,871,170	\$219,931
Funding to Be Budgeted Later	<u>\$5,026,351</u>	<u>\$5,944,110</u>	<u>\$917,759</u>
Total Expenses	<u>\$125,072,736</u>	<u>\$133,762,244</u>	<u>\$8,689,508</u>
Increase (Decrease) in Fund Balance	<u>\$5,132,867</u>	<u>\$5,132,867</u>	<u>\$0</u>
Student Financial Assistance	<u>(\$5,132,867)¹</u>	<u>(\$5,132,867)¹</u>	
Total E&G Overage/(Shortfall)	\$0	\$0	

Notes:

1. The University utilizes approximately \$5.1 million in funding for tuition offsets. The use of these funds is reflected in student financial assistance.

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Auxiliary Enterprise Schedule

	FY24 Budget	Proposed FY25 Budget	Change
Revenues			
User Fees	\$35,461,544	\$38,927,674	\$3,466,130
Mandatory Fees	\$18,257,921	\$20,340,046	\$2,082,125
Revenues and Commissions	\$3,575,942	\$4,000,109	\$424,167
Other Sources	<u>\$0</u>	<u>\$1,664,479</u>	<u>\$1,664,479</u>
Total Revenue	\$57,295,407	\$64,932,308	\$7,636,901
Expenses			
Personal Services - Budget	\$11,931,503	\$13,250,996	\$1,319,493
Non Personal Services - Budget	\$35,336,122	\$42,856,676	\$7,520,554
Debt Service	<u>\$8,603,539</u>	<u>\$8,824,636</u>	<u>\$221,097</u>
Total Expenses	<u>\$55,871,164</u>	<u>\$64,932,308</u>	<u>\$9,061,144</u>
Increase (Decrease) in Fund Balance	<u>\$1,424,243</u> ¹	<u>(\$0)</u>	<u>(\$1,424,243)</u>

Note:

1. Unspent AE funding will be used to support the required reserve as well as prepare for housing and food service maintenance.