



Board of Trustees of the Nebraska State Colleges

Meeting Date: **September 10, 2026**

Agenda Item: **5.12**

ITEMS FOR DISCUSSION AND ACTION:

Committee: **Chancellor Informational Items**

Information **Biennium Budget Request for 2027-2029**
Only:

The Nebraska State College System (NSCS) presents its 2027-2029 biennium budget request. Developed in a period of fiscal restraint, the request takes a disciplined approach focused on sustaining current operations, protecting affordable access to higher education, addressing targeted workforce needs, and responsibly maintaining the State's investment in campus facilities.

The NSCS FY27 general fund base budget is \$77,151,164. The FY28 request is \$87,616,883, an increase of \$10,465,719, followed by an additional \$9,185,799 in FY29, resulting in a total FY29 request of \$96,802,682. This request includes both operating and capital construction components.

Operating

The operating request is organized into core needs and strategic initiatives.

Core Needs

The core needs portion of the request represents the resources necessary to maintain existing programs, services, and institutional capacity. These requests are driven primarily by inflationary, contractual, and other unavoidable increases in the cost of operating the State Colleges. Core needs include:

- 3% salary increases in each year of the biennium to maintain competitive compensation and support employee recruitment and retention.
- 5.5% annual increases in health benefit costs, reflecting projected increases in employee health insurance expenses.
- Funding for minimum-wage adjustments necessary to meet statutory compensation requirements.
- 4% annual increases in utility costs to address rising costs associated with electricity, natural gas, and other campus utilities.
- 3% annual increases in operating expenses to account for inflationary pressures affecting goods, services, contracts, and other routine institutional costs.
- Targeted technology investments to maintain, modernize, and secure the System's technology infrastructure and ensure the Colleges have the systems necessary to support students, faculty, and staff. It also includes state support for the NSCS share of Nebraska Statewide Workforce and Educational Reporting System (NSWERS) costs. NSWERS provides important statewide data infrastructure that supports the longitudinal tracking of student outcomes, workforce participation, and the effectiveness of educational investments.

Collectively, these core needs are intended to preserve existing services and institutional capacity rather than expand ongoing operations. They provide the resources necessary for the State Colleges to continue delivering affordable, high-quality educational opportunities while responding to unavoidable increases in the cost of doing

business.

Strategic Initiatives

Three strategic initiatives are included in the 2027-2029 request:

- \$638,149 for adjunct faculty compensation to strengthen the Colleges' ability to recruit and retain qualified instructors in disciplines where adjunct faculty are necessary to meet course and program needs.
- \$515,000 for the Grand Island Growing Together Career Scholarship initiative at Wayne State College to strengthen connections between students and Nebraska employers, support degree completion, and encourage graduates to remain in Nebraska's workforce.
- \$10 million for a Systemwide Maintenance and Repair (M&R) Fund to establish a predictable funding source for preventive maintenance, facility renewal, and repairs across the three State Colleges. The initiative would help address the growing deferred maintenance backlog, reduce the likelihood that routine maintenance needs become more costly capital projects, and protect the State's existing investment in its campus facilities. Since the System's 2022 facility master planning process, the estimated cost of deferred maintenance projects has increased by 23%.

Because the M&R Fund represents a significant portion of the overall operating biennium increase, the total request reflects an average annual increase of approximately 12% over the FY27 base budget. Excluding the M&R investment, the core needs request represents an average annual increase of approximately 5.2%.

Capital Construction

Capital construction requests for the 2027-29 biennium are comprised of three parts:

- Reaffirmations of previously authorized state funding for capital projects
- Capital project and Maintenance & Repair (M&R) project requests
- Task Force for Building Renewal (309 Task Force) project categories

Reaffirmations: These are annual amounts approved by prior legislation to improve facilities, primarily through capital projects. The vast majority of the State General Funds requested as Reaffirmations are dedicated to repayment of debt on completed projects. The Reaffirmation requests summary for the 2027-29 Biennium is provided in the attachment.

Task Force for Building Renewal (309 Task Force) project categories/requests: LB309 Task Force for Building Renewal biennial requests are provided in the categories of Fire and Life Safety, Deferred Repair, ADA, and Energy Conservation. The request amounts are not shown in the attachment, but the total biennium request estimate for all three State Colleges is \$74.3 million at this time.

Prioritization of all Capital Requests Including 309 Task Force Categories: The state biennial budget request process requires prioritizing all requested capital projects, including 309 Task Force Building Renewal requests across the four categories of Fire/Life Safety, Deferred Repair, Americans with Disabilities Act (ADA), and Energy Conservation. The Board approved the overall CCBR prioritization and capital project request amounts at the June 11, 2026, meeting. The attachment summarizes the capital project requests for each fiscal year of the biennium, as well as future biennial requests.

Overall, the 2027-2029 biennium budget request reflects a targeted and disciplined investment in Nebraska. It prioritizes the resources necessary to maintain current operations, preserve affordability and educational quality, respond to identified workforce needs, and responsibly protect the State's significant investment in its college campuses.

[View the complete 2027 -2029 Biennium Budget Request here.](#)

Informational item.

