


Pete Ricketts
Governor

State of Nebraska
Office of the Chief Information Officer
Ed Toner

Chief Information Officer
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Lincoln, Nebraska 68509-5045
402-471-3560

To: Network Nebraska Participant
Mike Calvert, Legislative Fiscal Office

From: Ed Toner 
Chief Information Officer

Date: November 16, 2015

RE: Network Nebraska Detailed Cost Report

Pursuant to Neb.Rev.Stat. 86-5,100, the Office of the Chief Information Officer has prepared a financial report of actual revenue and expenses of Network Nebraska for the fiscal year 2014-2015. This report update is to be provided annually to each Network Nebraska-Education participant and to the Legislative Fiscal Office.

Page one is the Income Statement that shows a positive variance of \$99,674 for 2014-15. Pages two through four breaks out the fund accounts for Participation Fee, Interregional Transport Fee, and Statewide Internet Access.

The financial overview (page five) provides a historical summary of revenue and expenses from FY2006-07 to FY2014-15. NOTE: The State contract providing the Renovo videoconferencing scheduling and clearinghouse software was completed in FY2011-12 and the statewide Internet Access service on Network Nebraska-Education was begun in FY2012-13.

If you have questions about this report, you may contact Julie Heyen, Controller for the Office of the CIO at julie.heyen@nebraska.gov or 402-471-4385.

Copies of this report and the earlier FY2006-2010 and FY2011-2014 multi-year reports can be downloaded from www.networknebraska.net.

Neb.Rev.Stat. 86-5,100. Network Nebraska; development and maintenance; access; Chief Information Officer; duties; cost; report.

The Chief Information Officer, in partnership with the University of Nebraska, shall develop and maintain a statewide, multipurpose, high capacity, scalable telecommunications network to be called Network Nebraska....The Chief Information Officer shall establish a cost structure based on actual costs, including necessary administrative expenses but not including administrative travel or conference expenses, and shall charge participants according to such cost structure. The Chief Information Officer shall annually provide a detailed report of such costs to each participant and to the Legislative Fiscal Analyst. The report submitted to the Legislative Fiscal Analyst shall be submitted electronically.

NETWORK NEBRASKA

ANNUAL REPORT

- 1 Income Statement FY 2015**
- 2 Participation Fee**
- 3 Interregional Transport Fee**
- 4 Statewide Internet Access**
- 5 Project Financial Overview FY 2007 - FY 2015**

NETWORK NEBRASKA (Distance Education)
INCOME STATEMENT
For The Year Ending June 30, 2015

REVENUE

Interregional Transport Fee	\$	68,377	
E Rate	\$	268,610	
Renovo	\$	-	
Internet Access	\$	177,505	
Participation Fee	\$	704,469	
Commercial Peering Service	\$	10,416	
Adm and interest revenue	\$	6,463	
Total:			\$ 1,235,841

EXPENSES

Salaries\Benefits	\$	-	
Communication Expenses	\$	544,788	
Contractual Services	\$	218,755	
Software	\$	83,871	
Equipment	\$	175,954	
Indirect Costs	\$	65,541	
Other Operating Expenses	\$	47,257	
Total:			\$ 1,136,167

Positive/Negative Variance: \$ 99,674

**NETWORK NEBRASKA (Distance Education)
INCOME STATEMENT - Participation Fee
For The Year Ending June 30, 2015**

REVENUE

Participation Fee	\$	704,469	
Adm and interest revenue	\$	6,463	
Total:			\$ 710,932

EXPENSES

Salaries\Benefits	\$	-	
Communication Expenses	\$	19,879	
Contractual Services	\$	218,755	
Indirect Costs	\$	65,541	
Other Operating Expenses	\$	47,257	
Software	\$	83,871	
Equipment	\$	175,954	
Total:			\$ 611,258

Positive/Negative Variance: \$ 99,674

NETWORK NEBRASKA (Distance Education)
INCOME STATEMENT - Interregional Transport Fee
For The Year Ending June 30, 2015

REVENUE

ITR - Higher Education	\$	13,154		
ITR - K - 12	\$	55,223		
E Rate	\$	120,253		
Total:			\$	188,631

EXPENSES

Communication Expenses	\$	188,631		
Total:			\$	188,631

Positive/Negative Variance: \$ (0)

**NETWORK NEBRASKA (Distance Education)
INCOME STATEMENT - Statewide Internet Access
For The Year Ending June 30, 2015**

REVENUE

StateWide Internet Access	\$	177,505		
Commercial Peering Services	\$	10,416		
Erate	\$	148,357		
Total:			\$	336,278

EXPENSES

Communication Expenses	\$	336,278		
Total:			\$	336,278

Positive/Negative Variance: **\$** **0**

NETWORK NEBRASKA (DISTANCE EDUCATION) PROJECT FINANCIAL OVERVIEW

	FY 2006 - 2007	FY 2007 - 2008	FY 2008 - 2009	FY 2009 - 2010	FY 2010 - 2011	FY 2011 - 2012	FY 2012 - 2013	FY 2013 - 2014	FY 2014 - 2015	TOTAL	
REVENUE											
Interregional Transport Fee	\$ -	\$ -	\$ 82,241	\$ 101,844	\$ 443,284	\$ 280,863	\$ 187,148	\$ 176,554	\$ 188,631	\$ 1,460,565	
Participation Fee	\$ -	\$ 188,001	\$ 431,604	\$ 531,416	\$ 484,494	\$ 558,459	\$ 616,582	\$ 710,248	\$ 710,932	\$ 4,231,736	
Statewide Internet Access	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 146,539	\$ 353,522	\$ 336,278	\$ 836,339	
Renovo	\$ 99,093	\$ 316,933	\$ 699,004	\$ 112,700	\$ 104,811	\$ 104,811	\$ -	\$ -	\$ -	\$ 1,437,352	
Total:	\$ 99,093	\$ 504,934	\$ 1,212,849	\$ 745,960	\$ 1,032,589	\$ 944,133	\$ 950,269	\$ 1,240,324	\$ 1,235,841	\$ 7,965,993	
EXPENSES											
Salaries/Benefits	\$ -	\$ 38,610	\$ 81,807	\$ 84,785	\$ (107)	\$ -	\$ -	\$ -	\$ -	\$ 205,095	
Communication Expenses	\$ -	\$ 127,019	\$ 163,020	\$ 181,186	\$ 356,168	\$ 268,812	\$ 522,285	\$ 569,706	\$ 544,788	\$ 2,732,984	
Contractual Services	\$ 37,732	\$ 137,849	\$ 221,152	\$ 364,341	\$ 144,716	\$ 207,931	\$ 609,304	\$ 174,850	\$ 218,755	\$ 2,116,630	
Software	\$ 130,523	\$ 195,595	\$ 699,004	\$ 112,700	\$ 157,112	\$ 104,811	\$ 2,943	\$ 183,912	\$ 83,871	\$ 1,670,471	
Indirect Costs	\$ -	\$ 11,769	\$ 38,826	\$ 34,267	\$ 21,012	\$ 18,272	\$ 30,657	\$ 30,102	\$ 65,541	\$ 250,446	
Equipment	\$ -	\$ -	\$ -	\$ -	\$ 24,872	\$ 65,422	\$ 23,600	\$ 95,350	\$ 175,954	\$ 385,198	
Other Operating Expenses	\$ 17,165	\$ 56,633	\$ 14,412	\$ 1,313	\$ 588	\$ 41,602	\$ 37,184	\$ 37,850	\$ 47,257	\$ 254,003	
Total:	\$ 185,420	\$ 567,475	\$ 1,218,221	\$ 778,592	\$ 704,360	\$ 706,850	\$ 1,225,973	\$ 1,091,770	\$ 1,136,167	\$ 7,614,828	
Variance	\$ (86,327)	\$ (62,541)	\$ (5,372)	\$ (32,632)	\$ 328,229	\$ 237,283	\$ (275,704)	\$ 148,554	\$ 99,674	\$ 351,164	
					Total Earned Variance through June 30, 2014						\$ 351,164
Service											
RENOVO											
Revenue	\$ 99,093	\$ 316,933	\$ 699,004	\$ 112,700	\$ 104,811	\$ 104,811	\$ -	\$ -	\$ -	\$ 1,437,352	
Expenses	\$ 185,420	\$ 230,606	\$ 699,004	\$ 112,700	\$ 104,811	\$ 104,811	\$ -	\$ -	\$ -	\$ 1,437,352	
Variance	\$ (86,327)	\$ (86,327)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Participation Fee											
Revenue	\$ -	\$ 188,001	\$ 431,604	\$ 531,416	\$ 484,494	\$ 558,459	\$ 616,582	\$ 710,248	\$ 710,932	\$ 4,231,736	
Expenses	\$ -	\$ 336,869	\$ 386,197	\$ 484,708	\$ 316,386	\$ 333,227	\$ 892,286	\$ 561,105	\$ 611,258	\$ 3,892,034	
Variance	\$ -	\$ (148,868)	\$ 75,407	\$ 46,710	\$ 168,108	\$ 225,232	\$ (275,704)	\$ 149,143	\$ 99,674	\$ 339,702	
Statewide Internet Access											
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 146,539	\$ 353,522	\$ 336,278	\$ 836,339	
Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 146,539	\$ 359,352	\$ 336,278	\$ 842,169	
Variance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (5,830)	\$ 0	\$ (5,830)	
Interregional Transport Fee											
Revenue	\$ -	\$ -	\$ 82,241	\$ 101,844	\$ 443,284	\$ 280,863	\$ 187,148	\$ 176,554	\$ 188,631	\$ 1,460,565	
Expenses	\$ -	\$ -	\$ 163,020	\$ 181,186	\$ 283,163	\$ 268,812	\$ 187,148	\$ 171,313	\$ 188,631	\$ 1,443,273	
Variance	\$ -	\$ -	\$ (80,779)	\$ (79,342)	\$ 160,121	\$ 12,051	\$ -	\$ 5,241	\$ (0)	\$ 17,292	
TOTAL:											
Revenue	\$ 99,093	\$ 504,934	\$ 1,212,849	\$ 745,960	\$ 1,032,589	\$ 944,133	\$ 950,269	\$ 1,240,324	\$ 1,235,841	\$ 7,129,653	
Expenses	\$ 185,420	\$ 567,475	\$ 1,218,221	\$ 778,592	\$ 704,360	\$ 706,850	\$ 1,225,973	\$ 1,091,770	\$ 1,136,167	\$ 6,772,659	
Variance	\$ (86,327)	\$ (62,541)	\$ (5,372)	\$ (32,632)	\$ 328,229	\$ 237,283	\$ (275,704)	\$ 148,554	\$ 99,674	\$ 351,165	