



Pete Ricketts
Governor

STATE OF NEBRASKA

OFFICE OF THE CHIEF INFORMATION OFFICER

Brenda L. Decker
Acting Chief Information Officer
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To: Network Nebraska Participant
Mike Calvert, Legislative Fiscal Office

From: Brenda L. Decker *Brenda L. Decker*
Acting Chief Information Officer

Date: March 30, 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 multi-year financial report of actual revenue and expenses of Network Nebraska, dating back to the inception of Network Nebraska-Education in July, 2006. This report update is to be provided annually to each Network Nebraska-Education participant and to the Legislative Fiscal Office.

The financial overview (first page) provides a historical summary of revenue and expenses for Renovo Software, Participation Fees, Statewide Internet Access and Interregional Transport Fees. Subsequent pages provide additional detail.

The State contract providing the Renovo videoconferencing scheduling and clearinghouse software was completed in FY2011-12. 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, IT Administrator for Financial and Customer Management, Office of the CIO at julie.heyen@nebraska.gov or 402.471.4385.

Report copies 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 (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	TOTAL
REVENUE									
Interregional Transport Fee	\$ -	\$ -	\$ 82,241	\$ 101,844	\$ 443,284	\$ 280,863	\$ 187,148	\$ 171,313	\$ 1,266,693
Participation Fee	\$ -	\$ 188,001	\$ 431,604	\$ 531,416	\$ 484,494	\$ 558,459	\$ 616,582	\$ 674,126	\$ 3,484,682
Statewide Internet Access	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 146,539	\$ 359,352	\$ 505,892
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	\$ 1,204,791	\$ 6,694,618
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	\$ 2,188,196
Contractual Services	\$ 37,732	\$ 137,849	\$ 221,152	\$ 364,341	\$ 144,716	\$ 207,931	\$ 609,304	\$ 174,850	\$ 1,897,875
Software	\$ 130,523	\$ 195,595	\$ 699,004	\$ 112,700	\$ 157,112	\$ 104,811	\$ 2,943	\$ 183,912	\$ 1,586,600
Indirect Costs	\$ -	\$ 11,769	\$ 38,826	\$ 34,267	\$ 21,012	\$ 18,272	\$ 30,657	\$ 30,102	\$ 184,905
Equipment	\$ -	\$ -	\$ -	\$ -	\$ 24,872	\$ 65,422	\$ 23,600	\$ 95,350	\$ 209,244
Other Operating Expenses	\$ 17,165	\$ 56,633	\$ 14,412	\$ 1,313	\$ 588	\$ 41,602	\$ 37,184	\$ 37,850	\$ 206,747
Total:	\$ 185,420	\$ 567,475	\$ 1,218,221	\$ 778,592	\$ 704,360	\$ 706,850	\$ 1,225,973	\$ 1,091,770	\$ 6,478,661
Variance	\$ (86,327)	\$ (62,541)	\$ (5,372)	\$ (32,632)	\$ 328,229	\$ 237,283	\$ (275,704)	\$ 113,021	\$ 215,957
Total Earned Variance through June 30, 2014									\$ 215,957

Service	FY 2006 - 2007	FY 2007 - 2008	FY 2008 - 2009	FY 2009 - 2010	FY 2010 - 2011	FY 2011 - 2012	FY 2012 - 2013	FY 2013 - 2014	TOTAL
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	\$ 674,126	\$ 3,484,682
Expenses	\$ -	\$ 336,869	\$ 356,197	\$ 484,706	\$ 316,386	\$ 333,227	\$ 892,266	\$ 561,105	\$ 3,280,776
Variance	\$ -	\$ (148,868)	\$ 75,407	\$ 46,710	\$ 168,108	\$ 225,232	\$ (275,704)	\$ 113,021	\$ 203,906
Statewide Internet Access									
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 146,539	\$ 359,352	\$ 505,892
Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 146,539	\$ 359,352	\$ 505,891
Variance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0	\$ 0	\$ 1
Interregional Transport Fee									
Revenue	\$ -	\$ -	\$ 82,241	\$ 101,844	\$ 443,284	\$ 280,863	\$ 187,148	\$ 171,313	\$ 1,266,693
Expenses	\$ -	\$ -	\$ 163,020	\$ 181,186	\$ 283,163	\$ 268,812	\$ 187,148	\$ 171,313	\$ 1,254,642
Variance	\$ -	\$ -	\$ (80,779)	\$ (79,342)	\$ 160,121	\$ 12,051	\$ (0)	\$ (0)	\$ 12,051
TOTAL:									
Revenue	\$ 99,093	\$ 504,934	\$ 1,212,849	\$ 745,960	\$ 1,032,589	\$ 944,133	\$ 950,269	\$ 1,204,791	\$ 6,188,727
Expenses	\$ 185,420	\$ 567,475	\$ 1,218,221	\$ 778,592	\$ 704,360	\$ 706,850	\$ 1,225,973	\$ 1,091,770	\$ 5,972,770
Variance	\$ (86,327)	\$ (62,541)	\$ (5,372)	\$ (32,632)	\$ 328,229	\$ 237,283	\$ (275,704)	\$ 113,021	\$ 215,957

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NETWORK NEBRASKA (Distance Education)
INCOME STATEMENT
For The Year Ending June 30, 2011

REVENUE

Interregional Transport Fee	\$	101,594	
E Rate	\$	181,569	
E Rate 2010	\$	160,121	
Participation Fee	\$	484,494	
Renovo	\$	104,811	
Adm and interest revenue	\$	-	
Total:			\$ 1,032,589

EXPENSES

Salaries\Benefits	\$	(107)	
Communication Expenses	\$	414,055	
Contractual Services	\$	86,829	
Software	\$	157,112	
Equipment	\$	24,872	
Indirect Costs	\$	21,012	
Other Operating Expenses	\$	588	
Total:			\$ 704,360

Positive/Negative Variance: **\$ 328,229**

NETWORK NEBRASKA (Distance Education)
INCOME STATEMENT - Renovo
For The Year Ending June 30, 2011

REVENUE

Renovo	\$	104,811		
Total:			\$	104,811

EXPENSES

Software	\$	104,811		
Total:			\$	104,811

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

NETWORK NEBRASKA (Distance Education)
INCOME STATEMENT - Participation Fee
For The Year Ending June 30, 2011

REVENUE

Participation Fee	\$	484,494	
Adm and interest revenue	\$	-	
Total:			\$ 484,494

EXPENSES

Salaries\Benefits	\$	(107)	
Communication Expenses	\$	130,892	
Contractual Services	\$	86,829	
Indirect Costs	\$	21,012	
Software	\$	52,301	
Other Operating Expenses	\$	588	
Equipment	\$	24,872	
Total:			\$ 316,386

Positive/Negative Variance: \$ 168,108

NETWORK NEBRASKA (Distance Education)
INCOME STATEMENT - Interregional Transport Fee
For The Year Ending June 30, 2011

REVENUE

ITR - Higher Education	\$	16,557		
ITR - K - 12	\$	85,038		
E Rate	\$	181,569		
E Rate from 2010	\$	160,121		
Total:			\$	443,284

EXPENSES

Communication Expenses	\$	283,163		
Total:			\$	283,163

Positive/Negative Variance: \$ 160,121

NETWORK NEBRASKA (Distance Education)

INCOME STATEMENT

For The Year Ending June 30, 2012

REVENUE

Interregional Transport Fee	\$	106,296		
E Rate	\$	174,567		
Participation Fee	\$	554,043		
Renovo	\$	104,811		
Adm and interest revenue	\$	4,416		
Total:			\$	944,133

EXPENSES

Salaries\Benefits	\$	-		
Communication Expenses	\$	268,812		
Contractual Services	\$	207,931		
Software	\$	104,811		
Equipment	\$	65,422		
Indirect Costs	\$	18,272		
Other Operating Expenses	\$	41,602		
Total:			\$	706,850

Positive/Negative Variance: \$ **237,283**

NETWORK NEBRASKA (Distance Education)
INCOME STATEMENT - Renovo
For The Year Ending June 30, 2012

REVENUE

Renovo	\$	104,811		
Total:			\$	104,811

EXPENSES

Software	\$	104,811		
Total:			\$	104,811

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

NETWORK NEBRASKA (Distance Education)
INCOME STATEMENT - Participation Fee
For The Year Ending June 30, 2012

REVENUE

Participation Fee	\$	554,043		
Adm and interest revenue	\$	4,416		
Total:			\$	558,459

EXPENSES

Salaries\Benefits	\$	-		
Communication Expenses	\$	-		
Contractual Services	\$	207,931		
Indirect Costs	\$	18,272		
Other Operating Expenses	\$	41,602		
Software	\$	-		
Equipment	\$	65,422		
Total:			\$	333,227

Positive/Negative Variance: \$ 225,232

NETWORK NEBRASKA (Distance Education)
INCOME STATEMENT - Interregional Transport Fee
For The Year Ending June 30, 2012

REVENUE

ITR - Higher Education	\$	19,095		
ITR - K - 12	\$	87,201		
E Rate	\$	174,567		
Total:			\$	280,863

EXPENSES

Communication Expenses	\$	268,812		
Total:			\$	268,812

Positive/Negative Variance: \$ 12,051

NETWORK NEBRASKA (Distance Education)
INCOME STATEMENT
For The Year Ending June 30, 2013

REVENUE

Interregional Transport Fee	\$	69,020	
E Rate	\$	206,269	
Renovo	\$	-	
Internet Access	\$	58,398	
Participation Fee	\$	610,471	
Adm and interest revenue	\$	6,111	
Total:			\$ 950,269

EXPENSES

Salaries\Benefits	\$	-	
Communication Expenses	\$	522,285	
Contractual Services	\$	609,304	
Software	\$	2,943	
Equipment	\$	23,600	
Indirect Costs	\$	30,657	
Other Operating Expenses	\$	37,184	
Total:			\$ 1,225,973

Positive/Negative Variance: \$ (275,704)

NETWORK NEBRASKA (Distance Education)
INCOME STATEMENT - Participation Fee
For The Year Ending June 30, 2013

REVENUE

Participation Fee	\$	610,471	
Adm and interest revenue	\$	6,111	
Total:			\$ 616,582

EXPENSES

Salaries\Benefits	\$	-	
Communication Expenses	\$	188,598	
Contractual Services	\$	609,304	
Indirect Costs	\$	30,657	
Other Operating Expenses	\$	37,184	
Software	\$	2,943	
Equipment	\$	23,600	
Total:			\$ 892,286

Positive/Negative Variance: \$ (275,704)

NETWORK NEBRASKA (Distance Education)
INCOME STATEMENT - Statewide Internet Access
For The Year Ending June 30, 2013

REVENUE

StateWide Internet Access	\$	58,398		
Commercial Peering Services	\$	-		
Erate	\$	88,141		
Total:			\$	146,539

EXPENSES

Communication Expenses	\$	-		
Data Processing Exp	\$	146,539		
Total:			\$	146,539

Positive/Negative Variance: \$ 0

NETWORK NEBRASKA (Distance Education)
INCOME STATEMENT - Interregional Transport Fee
For The Year Ending June 30, 2013

REVENUE

ITR - Higher Education	\$	13,751
ITR - K - 12	\$	55,269
E Rate	\$	118,128

Total:		\$	187,148
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EXPENSES

Communication Expenses	\$	187,148
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Total:		\$	187,148
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Positive/Negative Variance:		\$	(0)
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NETWORK NEBRASKA (Distance Education)
INCOME STATEMENT
For The Year Ending June 30, 2014

REVENUE

Interregional Transport Fee	\$	63,136	
E Rate	\$	273,777	
Renovo	\$	-	
Internet Access	\$	189,267	
Participation Fee	\$	668,347	
Commercial Peering Service	\$	4,485	
Adm and interest revenue	\$	5,778	
Total:			\$ 1,204,791

EXPENSES

Salaries\Benefits	\$	-	
Communication Expenses	\$	569,706	
Contractual Services	\$	174,850	
Software	\$	183,912	
Equipment	\$	95,350	
Indirect Costs	\$	30,102	
Other Operating Expenses	\$	37,850	
Total:			\$ 1,091,770

Positive/Negative Variance: \$ 113,021

NETWORK NEBRASKA (Distance Education)
INCOME STATEMENT - Participation Fee
For The Year Ending June 30, 2014

REVENUE

Participation Fee	\$	668,347		
Adm and interest revenue	\$	5,778		
Total:			\$	674,126

EXPENSES

Salaries\Benefits	\$	-		
Communication Expenses	\$	39,041		
Contractual Services	\$	174,850		
Indirect Costs	\$	30,102		
Other Operating Expenses	\$	37,850		
Software	\$	183,912		
Equipment	\$	95,350		
Total:			\$	561,105

Positive/Negative Variance: \$ 113,021

NETWORK NEBRASKA (Distance Education)
INCOME STATEMENT - Statewide Internet Access
For The Year Ending June 30, 2014

REVENUE

StateWide Internet Access	\$	189,267		
Commercial Peering Services	\$	4,485		
Erate	\$	165,600		
Total:			\$	359,352

EXPENSES

Communication Expenses	\$	4,000		
Data Processing Exp	\$	355,352		
Total:			\$	359,352

Positive/Negative Variance: \$ 0

NETWORK NEBRASKA (Distance Education)
INCOME STATEMENT - Interregional Transport Fee
For The Year Ending June 30, 2014

REVENUE

ITR - Higher Education	\$	12,885		
ITR - K - 12	\$	50,251		
E Rate	\$	108,177		
Total:			\$	171,313

EXPENSES

Communication Expenses	\$	171,313		
Total:			\$	171,313

Positive/Negative Variance: \$ (0)