

MINNESOTA STATE UNIVERSITY

M A N K A T O



Budget Town Hall

November 11-12, 2020

Rick Straka

Budget Planning Variables

- ◆ **Academic Year Tuition is Approx. \$100M**

- 1% Tuition Rate Increase = \$1,000,000

- 133 FYE = \$1,000,000

- ◆ **Appropriation is Approx. \$57M**

- 1% Change is Approx. \$570,000

- ◆ **Compensation Budget is Approx. \$125M**

- 1% Change is Approx. \$1.25M



Budget Planning Variables

- ◆ **Division Non-Salary Budgets \$12M**
- ◆ **Summer Session Expenses/Surplus \$9.7M**
- ◆ **Metro And Online Model Expenses \$4.5M**
- ◆ **Utilities \$4M+**
- ◆ **Core Block and Institutional Equipment \$1.5M**
- ◆ **Contract Prof Dev \$1.25M**



Key Financial Pressures on the University Budget

FY20-21 \$3M Structural Base Budget Challenge

1. Enrollment Loss – Tuition Revenue Loss
2. Structural Deficit in Biennium Funding
3. New Base Expenditures/Costs

FY22 Est. Share of State \$4.7B Deficit \$2M-\$4M

\$5M - \$7M Estimated Planning for FY22

Approx. 3% - 4% of FY21 Gen Fund Budget



Base Budget Balancing Discussions

- ◆ Review Strategic Budget Planning Data to Help Inform Decision Making
- ◆ Increase Enrollment and/or Revenues
- ◆ BESI Options
- ◆ Reorganizations
- ◆ Position / Workload/Staffing reductions
- ◆ Duty Days and Release Time Review
- ◆ Review summer surplus model to potentially help support academic year budget
- ◆ Non-salary reductions



Base Budget Options cont'd

- ◆ **Seek campus input via budget website for additional solution ideas**
- ◆ **Increase Retention to help Tuition Revenues**
- ◆ **Other Strategies??**



What information are we looking at?

- ◆ **Strategic Budget Planning as a foundation**
- ◆ **New Understandings of Costs/Income by Department/Program**
- ◆ **Forward-looking Market Analysis**
- ◆ **Faculty, staff, and student input**
- ◆ **Intangibles: Student success communities, other impacts of our departments and programs**

- ◆ ***Not programming a computer that determines outcomes**
- ◆ ***Creating a blueprint of our institution, post-COVID-19**
 - < (Data) Science + (Conversation) Art



How are we doing this work?

Prior to this round:

- ◆ **Administrative cuts over the summer**

Now:

- ◆ **Discussions at Council of Deans**
- ◆ **Data gathering and analysis = Science**
- ◆ **Multiple listening sessions with provost/associate provost = Art**
 - < Started with chairs this week
 - < Open sessions (<10 people) through January
 - < provost@mnsu.edu
 - < Individual meetings with anyone who requests one



Timeline

- ◆ **Now through January: Listening, taking input**
- ◆ **January/February: Campus discussion of plan**
- ◆ **April: Revised plan finalized**



Possible Bridge/Short Term Budget Options To Implement Base Reduction Plans

- ◆ **Institutional Equipment reduction or freeze (Done in FY21)**
- ◆ **International/Outstate Travel Restrictions (excluding contract professional travel) (Done in FY21)**
- ◆ **Non-emergency purchasing/supply budget review**
- ◆ **Review/Moratorium on department/division funded facility renovations**
- ◆ **Hiring Freeze Review**
- ◆ **One Time Spend Down of Reserve as Bridge**



State University Enrollment (FYE)

FY2017-Est FY21

Universities	FY2016	FY2017	FY2018	FY2019	FY2020
Bemidji State University	4,295	4,338	4,319	4,214	4,067
Metropolitan State University	6,102	6,168	6,064	5,937	5,827
Minnesota State University, Mankato	13,752	13,657	13,456	13,256	13,202
Minnesota State University Moorhead	5,316	5,378	5,297	5,258	5,166
St. Cloud State University	11,837	11,480	11,081	10,428	9,547
Southwest Minnesota State University	3,712	3,760	3,608	3,565	3,365
Winona State University	7,890	7,530	7,357	7,216	7,049
Total: Universities	52,904	52,311	51,182	49,874	48,223



Staffing Trends (5 Years)

- ◆ Faculty Staffing has remained fairly stable
- ◆ Adjunct FTE has been reduced
- ◆ Excluded Administrator FTE has been reduced
- ◆ Have seen shifts among Bargaining Units
- ◆ Increased Staffing in Student Advising/Academic Support



Non General Fund Areas

- ◆ Residential Life Budget and Pandemic Impacts
- ◆ Fee Funded Budget Areas
- ◆ Auxiliary Operations



Discussion

**Budget Input Link at University
Budget Website**



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