February 22, 2017

Minnesota House Higher Education and Career Readiness Policy and Finance Committee

Minnesota State Colleges and Universities
We Are

MINNESOTA STATE
Extraordinary Education. Exceptional Value.

376,000 Students
• 254,000 in credit classes
• 122,000 in non-credit programs
• 59% in greater Minnesota
• 127,000 from underrepresented groups
• 48,500 first generation students
• 10,000 veterans

37 Colleges and Universities with
54 Campuses
• 7 universities
• 30 colleges

47 Communities across the State
• From International Falls to Worthington
• Enrollment ranges from 445 to 32,131
Minnesota’s higher education funding trails U.S. average significantly

State and Local Educational Appropriations for Higher Education per FTE Student from 1995 to 2015

Source: SHEEO (2015). SHEF FY 15. Estimates have been adjusted for inflation.
Public Associates Colleges - State and Local
Appropriations per FTE Student during 2013-14

- Illinois: $5,639
- Indiana: $3,637
- Iowa: $5,590
- Kansas: $6,689
- Michigan: $5,780
- Minnesota: $3,876
- Missouri: $3,114
- Nebraska: $7,755
- North Dakota: $7,794
- Ohio: $4,273
- South Dakota: $2,216
- Wisconsin: $12,432
- U.S.: $5,141

Public Master’s Universities - State and Local Appropriations per FTE Student during 2013-14

**Graph:**
- **Illinois:** $7,271
- **Indiana:** $4,886
- **Iowa:** $8,926
- **Kansas:** $5,124
- **Michigan:** $3,405
- **Minnesota:** $4,048
- **Missouri:** $4,947
- **Nebraska:** $6,243
- **North Dakota:** $8,277
- **Ohio:** $3,373
- **South Dakota:** $3,584
- **Wisconsin:** $3,234
- **U.S.:** $5,336

## Reinvestments and Cuts ($’s in thousands)

<table>
<thead>
<tr>
<th>Category</th>
<th># Positions Added/Reassigned (FTE)</th>
<th># Programs Impacted</th>
<th>Dollar Amount</th>
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<tbody>
<tr>
<td>Enhanced, redesigned, or new programs</td>
<td>11</td>
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<td>57</td>
<td>45</td>
<td>$4,403</td>
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<td>Equipment</td>
<td>0</td>
<td>0</td>
<td>$1,169</td>
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<td>Invest facilities and/or R&amp;R</td>
<td>0</td>
<td>0</td>
<td>$1,498</td>
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<td>Student services</td>
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<td>Other</td>
<td>3</td>
<td>2</td>
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<tr>
<td>Reinvestments subtotal</td>
<td>93</td>
<td>91</td>
<td>$14,631</td>
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<td>Cuts made to balance the budget</td>
<td>0</td>
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<td>93</td>
<td>91</td>
<td>$38,756</td>
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- Invests in direct mission activities: $11,085
- Stems the growth in tuition and student fees: $26,837
- Supports programs that benefit students: $11,452
Our FY18-FY19 request: three important goals

• Protect programs and campuses so we can meet workforce needs in communities across Minnesota
• Reduce economic and racial disparities by protecting affordability and access, and by advancing student success
• Provide the faculty, staff, and IT infrastructure needed to deliver these programs

Campus Support: $143 million
ISRS Next Gen: $25 million
Student grants to reduce disparities: $10 million
Total FY18-FY19 needs: $178 million
A critical request that meets the needs of communities across Minnesota
ISRS Next Generation is a critical system investment that must be made

• Replaces an outdated 20 year-old Integrated Statewide Record System that is reaching its technological end of life
• Touches everyone and nearly every activity: application, registration, course schedule, housing, financial aid, transcripts, system finance, accounting, and HR
• Plays a critical role in the success of our students
• Serves as the enterprise data system, and requires high security
## Core enterprise platform – ISRS Next Gen project

### STUDENT SYSTEM
- **Pre-admission**
  - 233,700 applicants
- **Enrollment**
  - 188,300 students admitted
- **Degree Progression**
  - 1,556,000 course registrations
  - 89,600 course sections offered
  - 649,600 financial semester awards
  - 149,800 financial aid recipients
  - $1.148 billion financial aid funds awarded
- **Graduate**
  - 40,684 awards conferred
  - 422,800 official transcripts
  - 1,299,900 unofficial transcripts
  - 1,722,700 total transcripts
- **Continuing Ed & Customized Training**
  - 117,979 CECT headcount

### FINANCE SYSTEM
- **Budgeting**
  - $1.9 billion annual budget
  - 26.7 million transactions
- **Students**
  - $835 million tuition, fees, and room & board
  - $1.148 billion financial aid awarded
- **Payables**
  - 527,000 direct deposit
  - 1,541,000 payroll vouchers
- **Receivables**
  - 4,459,000 cash receipt transactions
  - 7,868,000 accounts receivable

### HR SYSTEM
- **Time and Leave**
  - 161,000 timesheets
  - 187,000 leave transactions
- **Benefits**
  - 1,500 supplemental retirement
  - 3,700 health savings account
- **Benefits**
  - 5,200 tuition waivers
  - 1,400 insurance (new)
  - 3,000 retirement (new)
ISRS Next Gen
Current Student Application Device vs. Future

20th Century Student Experience
Current ISRS

21st Century Student Experience
ISRS Next Gen Mobile – Apps
ISRS Next Gen

A once-in-a-generation investment.

Financed over several years.

Shared responsibility.
Providing an opportunity for all Minnesotans to become the talent that communities across Minnesota need to thrive
Biennial Budget Request

30 East 7th Street
St. Paul, MN  55101

651-201-1800
888-667-2848
Extra Slides
All funds budget ($’s in millions)

<table>
<thead>
<tr>
<th></th>
<th>FY 2017 Budget</th>
<th>$ Change from FY2016</th>
<th>% Change from FY2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Fund</td>
<td>$1,576.8</td>
<td>$8.0</td>
<td>0.5%</td>
</tr>
<tr>
<td>Other Funds</td>
<td>$382.6</td>
<td>$(7.8)</td>
<td>(2.0%)</td>
</tr>
<tr>
<td><strong>Total budgeted revenues</strong></td>
<td>$1,959.4</td>
<td>$.2</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compensation</td>
<td>$1,286.3</td>
<td>$14.2</td>
<td>1.1%</td>
</tr>
<tr>
<td>Other operating costs</td>
<td>$662.4</td>
<td>$(9.1)</td>
<td>(1.4%)</td>
</tr>
<tr>
<td><strong>Total budgeted expenses</strong></td>
<td>$1,948.7</td>
<td>$5.1</td>
<td>0.3%</td>
</tr>
<tr>
<td><strong>Budget balance</strong></td>
<td></td>
<td></td>
<td>$10.7</td>
</tr>
</tbody>
</table>
Reallocation (cuts) trends

<table>
<thead>
<tr>
<th>Year</th>
<th>Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY08</td>
<td>$22.9</td>
</tr>
<tr>
<td>FY09</td>
<td>$27.1</td>
</tr>
<tr>
<td>FY10</td>
<td>$45.0</td>
</tr>
<tr>
<td>FY11</td>
<td>$36.1</td>
</tr>
<tr>
<td>FY12</td>
<td>$53.7</td>
</tr>
<tr>
<td>FY13</td>
<td>$24.5</td>
</tr>
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<td>FY14</td>
<td>$29.3</td>
</tr>
<tr>
<td>FY15</td>
<td>$33.8</td>
</tr>
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<td>FY16</td>
<td>$38.8</td>
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# Reductions/Reallocations ($’s in thousands)

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<tr>
<th>Category</th>
<th># Layoffs &amp; Vacancies Eliminated (FTE)</th>
<th># of Programs Impacted</th>
<th>Dollar Amount</th>
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<tbody>
<tr>
<td>Suspended or closed programs</td>
<td>9</td>
<td>8</td>
<td>$1,132</td>
</tr>
<tr>
<td>Faculty positions</td>
<td>121</td>
<td>132</td>
<td>$15,650</td>
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<tr>
<td>Administrative/staff positions</td>
<td>155</td>
<td>8</td>
<td>$12,683</td>
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<tr>
<td>Equipment</td>
<td>0</td>
<td>0</td>
<td>$1,068</td>
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<tr>
<td>Repair &amp; replacement</td>
<td>0</td>
<td>0</td>
<td>$365</td>
</tr>
<tr>
<td>Student services</td>
<td>12</td>
<td>0</td>
<td>$861</td>
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<tr>
<td>Other</td>
<td>12</td>
<td>5</td>
<td>$4,309</td>
</tr>
<tr>
<td>General operating budget</td>
<td>0</td>
<td>0</td>
<td>$2,688</td>
</tr>
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<td>Total reductions/reallocations</td>
<td>309</td>
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