FY15 Student Tuition Consultation

SFMC – February 26, 2014
Up Front Summary

• Tuition Increase of $0 or 0% for FY15 approved by Legislature in 2013 session

• State budget has turned around and is now in surplus

• MnSCU making supplemental budget request to offset salary increases in FY14 and 15
WSU Total Budget Composition – FY14

- General Fund $82M, 65%
  - (Tuition $57M, State Appropriation $25M)
- Residence Halls $20M, 15%
- Laptop Program $7M, 6%
- Auxiliary Enterprises $5.5M, 5%
- Student Fees $4.5M, 4%
- Student Union $2M, 2%
- Miscellaneous $3M, 2%
- Grants and Contracts $2M, 2%
- TOTAL $125 Million

Innovation Fund = $400,000 or about ½ of 1% of the Total University Budget
General Fund Budget by Nature – FY14

- Employee Salaries 60%
- Fringe Benefits 18%
- Student Employment 2%
- Equipment 2%
- Operating (Supplies & Expenses) 14%
- Repair and Replacement 1%
- Fuel and Utilities 2%
- Debt Service 1%

80% of the General Fund Budget is Invested in People
Era of inverted budget reductions. Support units took 2x their share, Academic units took 1/2 their share.

Era of double digit tuition increases. FY03-12%, FY04-15%, FY05-15%

Era of selective investment and development.

Era of shared responsibility. All units take a proportional share of the reductions. Tuition held to reasonable levels.
• State budget surplus for FY14/15 is $1.086 billion or $825 million
  – $246 million must be repaid to the K-12 school shifts
• Governor has not issued any supplemental budget recommendations
  – “It’s a bonding year”
• Next economic forecast is due out 1st week of March
• MnSCU has asked for a $31 million supplemental appropriation and a language change that would free up an additional $17 million from FY14 to pay for salary settlements

FY2014/15 Budget Planning Factors
State of Minnesota
FY2015 Budget Planning Factors - WSU


- University is estimating a $1.5 million budget deficit for FY15
  - Offered BESI to all employees, currently reviewing options for replacements

- Increases in employee wages and health insurance continue to be the largest cost drivers at the University
  - 2.6% available vs. 3.9% awarded to certain unions created funding gap

- Uncertain enrollment for FY15 and beyond
  - FY13 8,497 FYE
  - FY14 8,307 FYE
  - FY15: Changing demographics makes future enrollment projections challenging
Tuition Costs at Selected Institutions – FY14

Annual Undergraduate Tuition – Full Time Student

- MN State U - Mankato: $6,668
- Winona State University: $6,866
- Bemidji State University: $7,146
- UW - La Crosse: $8,769
- UW - Madison: $9,930
- U of M - Twin Cities: $12,060
History – Tuition and Budget Reductions

• Tuition Increases
  • FY03 – 12%
  • FY04 – 15%
  • FY05 – 15%
  • FY06 – 7%
  • FY07 – 9%
  • FY08 – 4%
  • FY09 – 5%
  • FY10 – 5% (with assistance from Federal stimulus of 2%)
  • FY11 – 5% (with assistance from Federal stimulus of 2%)
  • FY12 – 5%
  • FY13 – 3% (lowest increase of State U’s within MnSCU)
  • FY14 – 0%

• Budget Reductions
  • FY02 - $1.0M
  • FY04 - $1.2M
  • FY10 - $1.8M
  • FY12 - $2.5M
FY2015 WSU Tuition Proposal

- Tuition increase of 0%

<table>
<thead>
<tr>
<th>MN Undergraduate</th>
<th>FY14 Board Approved</th>
<th>FY15 Amount of Increase</th>
<th>FY14 est. (Proposed)</th>
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<tr>
<td>Per Credit</td>
<td>$227.00</td>
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<td>$227.00</td>
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<tr>
<td>Banded (Semester)</td>
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<td>Banded (Annual)</td>
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Resources

• Most current information on budget at
  • President’s page:
    • www.winona.edu/president/index.asp
  • Fiscal Affairs page:
    • www.winona.edu/fiscalaffairs
  • MnSCU Finance page:
    • www.finance.mnscu.edu
Questions