WINONA STATE UNIVERSITY

FY20 Student Tuition Consultation

SFMC – March 22, 2019

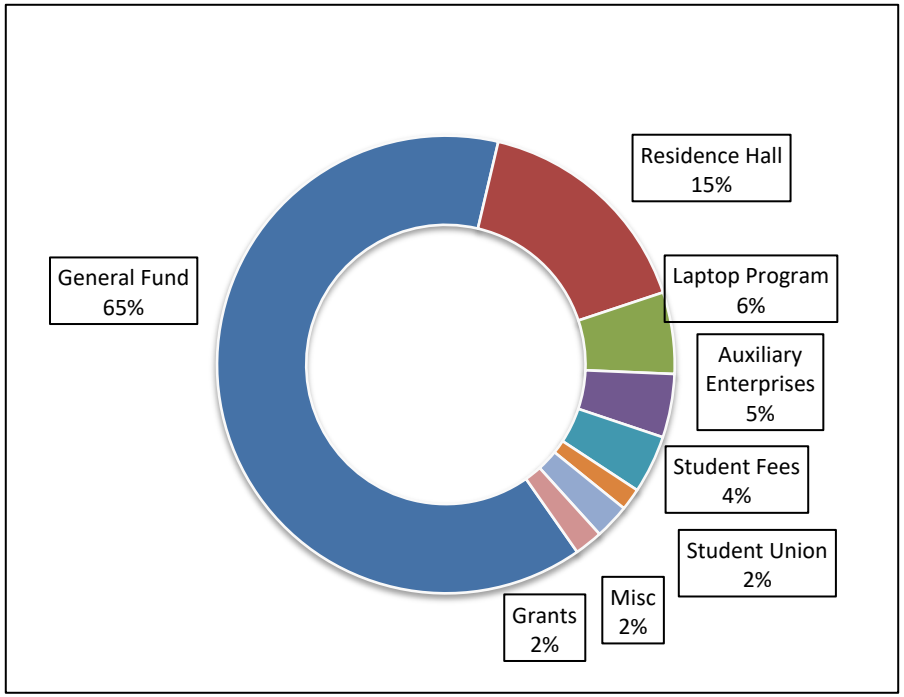
A community of learners improving our world

Up Front Summary

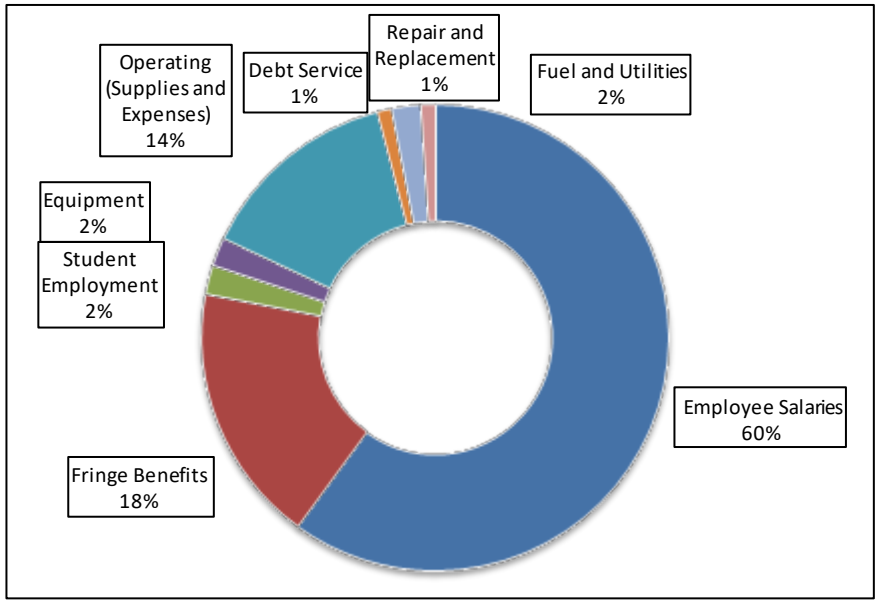
- Budget outlook for FY20 continues to be unsettled
- Key uncertainties: Enrollment and State Appropriation
- FY20 Tuition – Undergraduate 3%, Graduate 3%

WSU Total Budget Composition – FY19

- General Fund $90M, 65%
  - *(Tuition $57M, State Appropriation $33M)*
- Residence Halls $19.8M, 15%
- Laptop Program $7.3M, 6%
- Auxiliary Enterprises $4.6M, 5%
- Student Fees $4.6M, 4%
- Student Union $2.1M, 2%
- Miscellaneous $3M, 2%
- Grants and Contracts $2M, 2%
- **TOTAL $133 Million**



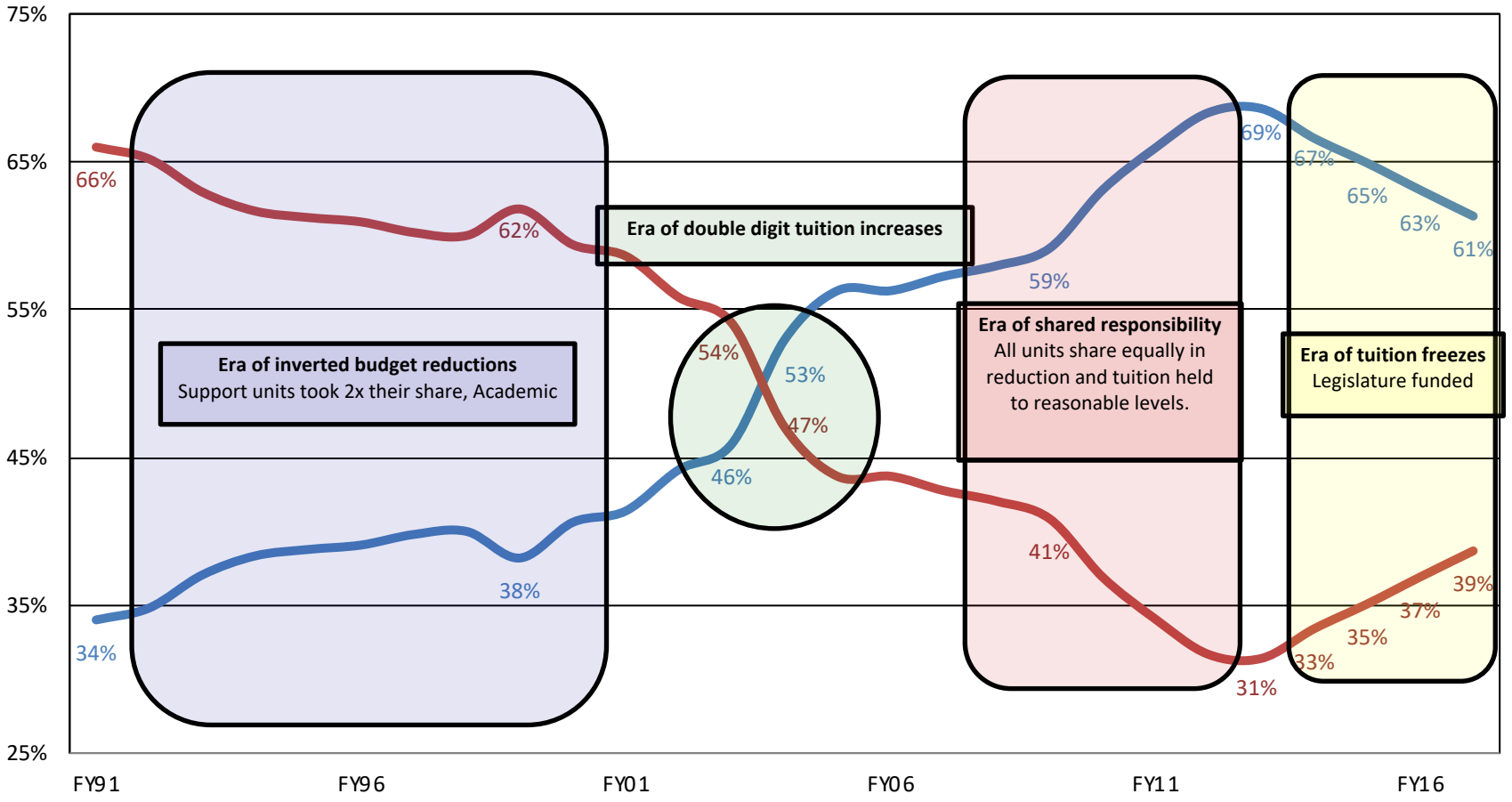
General Fund Budget by Nature – FY19



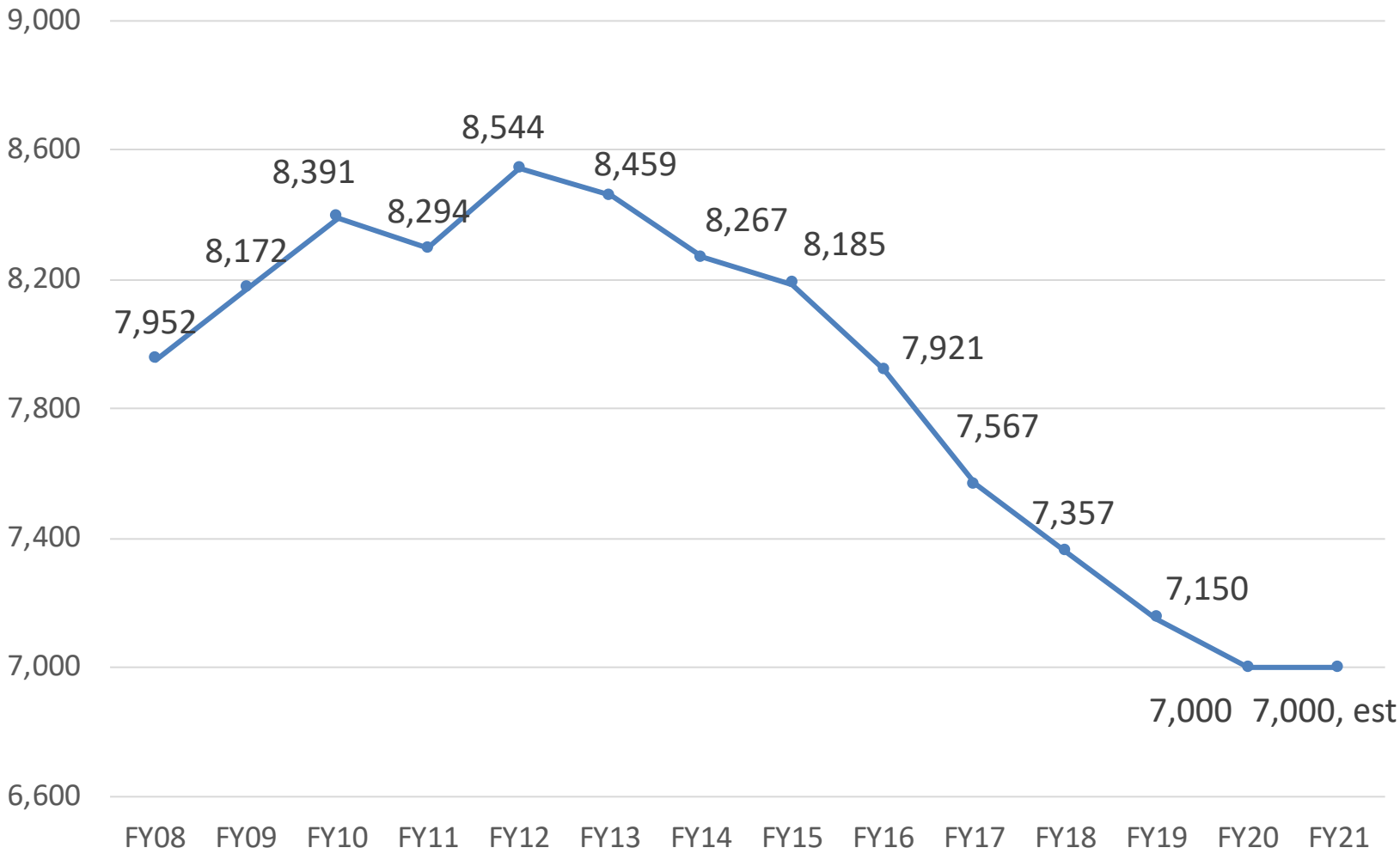
- Employee Salaries 60%
- Fringe Benefits 18%
- Student Employment 2%
- Equipment 2%
- Operating (Supplies & Expenses) 14%
- Repair and Replacement 1%
- Fuel and Utilities 2%
- Debt Service 1%

80% of the General Fund Budget is Invested in People

State Appropriation v. Tuition



FYE (Full Year Equivalent) Enrollment



FY20 Budget Planning Factors

- State budget surplus for FY20/21 biennium is $1 billion
- Minnesota State has requested $246 million and a tuition freeze if the request is fully funded
- Governor Walz recommended $50 million for Minnesota State in his budget request
- Minnesota State System Office has indicated that if the budget request is not funded that tuition increase would be limited to 3%
- Key Dates:
  - Legislative adjournment May 20th
  - Minnesota State Board of Trustees meeting May and June to set budget and tuition
  - **Possible tuition consultation in Late May/Early June timeframe**

Minnesota State Budget Request FY2020-21

- Minn State Board of Trustees approved request: $246M

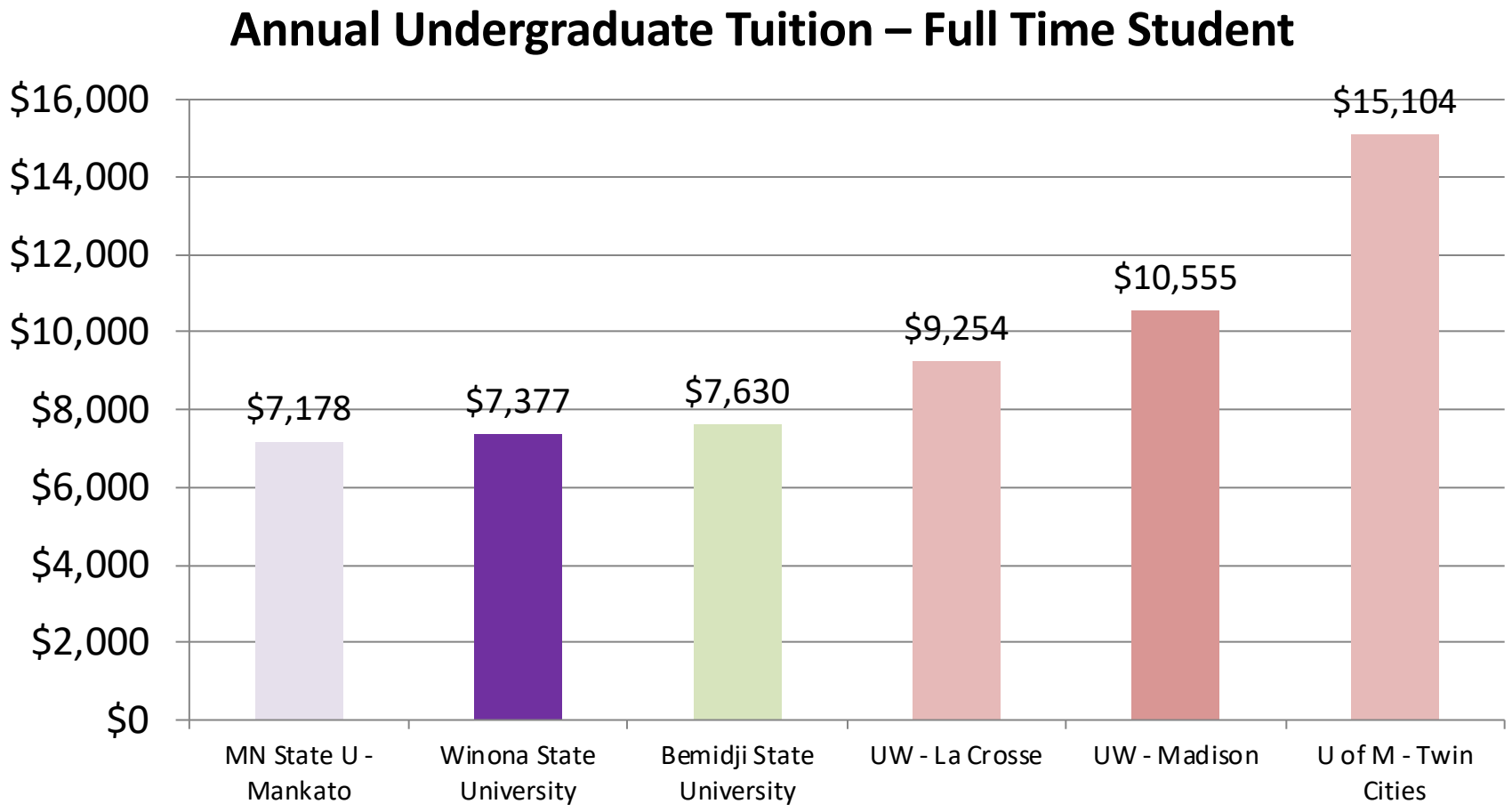
- $169M operating budget (Our share = 5.5%)
- $37M ISRS Next Gen (Systemwide ERP – Total cost $150M)
- $25M Strengthening Access
- $15M Workforce Strategies

- Tuition freeze if full request is funded

FY20 General Fund Budget Status

	Suboptimal Case	Rational Case	Optimal Case
State Appr Change	$960,000	$1,920,000	$3,200,000
Tuition from Rate Change	$1,650,000	$1,375,000	$0
Change in Enrollment	($700,000)	($350,000)	$0
Subtotal – New Revenues	$1,910,000	$2,945,000	$3,200,000
All Salary Settlements	$1,650,000	$1,100,000	$550,000
Fringe Benefit (Ins, Ret, etc)	$600,000	$600,000	$600,000
Operating Budget Inflation	$200,000	$200,000	$200,000
Ed Village Operating Expenses	$600,000	$600,000	$600,000
Subtotal – New Expenses	$3,050,000	$2,500,000	$1,950,000
Entering FY20 Budget Deficit	($600,000)	($600,000)	($600,000)
Budget Status	**($1,740,000)**	**($155,000)**	**$650,000**

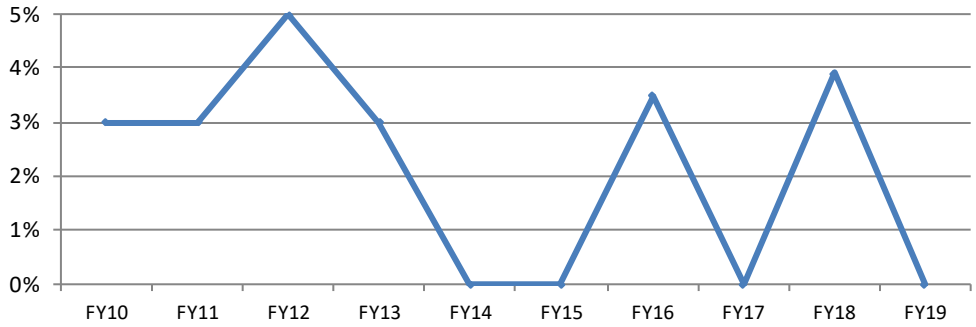
Tuition Costs at Selected Institutions – FY19



History – Tuition and Budget Reductions

- **Tuition Increases**
  - FY10 – 5% (Net 3%, Federal stimulus of 2%)
  - FY11 – 5% (Net 3%, Federal stimulus of 2%)
  - FY12 – 5%
  - FY13 – 3% (lowest increase of State U's within MnSCU)
  - FY14 – 0%
  - FY15 – 0%
  - FY16 – 3.5%
  - FY17 – 0%
  - FY18 – 3.9%
  - FY19 – 0%

  - 5 Year Average (FY15-19) – 1.48%
  - 10 Year Average (FY10-19) – 2.14%



Budget Reductions
FY10 - $1.8M
FY12 - $2.5M
FY15 - $1.5M
FY18 - $4.0M
FY19 - $5.9M

FY20 Tuition Proposal

- If a tuition freeze is not enacted or we receive full funding from Legislature: Tuition increase of 3% Undergraduate and 3% Graduate

MN Undergraduate	FY19 Board Approved	FY20 Amount of Increase	FY20 est. (Proposed)
Per Credit	$243.98	$7.32	$251.30
Banded (Semester)	$3,688.50	$110.65	$3,799.15
Banded (Annual)	$7,377.00	$221.30	$7,598.30

- Apply banded tuition to the WSU-Rochester Campus
- Differential tuition increase
  - Online and off-campus – UG and GRAD

Looking Ahead

- Continue to monitor Legislature and Board of Trustees
- No BESI offerings until at least 2020
- Budget Website
- Future budget communications

Resources

- President's Page:
  - www.winona.edu/President/fiscal-planning
- Fiscal Affairs page:
  - www.winona.edu/fiscalaffairs/budgettoolkit
- Minnesota State Finance page:
  - www.minnstate.edu/system/finance/index

Questions?