



Budget Forum
FY25 Budget
March 25, 2024

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Presentation Format

- In person and Zoom webinar format
- All lines are muted - Chat function is disabled
- Online submit questions
- In Person – Wait for microphone so Zoom can hear your question
- Columns of numbers may not total due to rounding



This session is being recorded
and will be available on the
Budget website



Opening Remarks

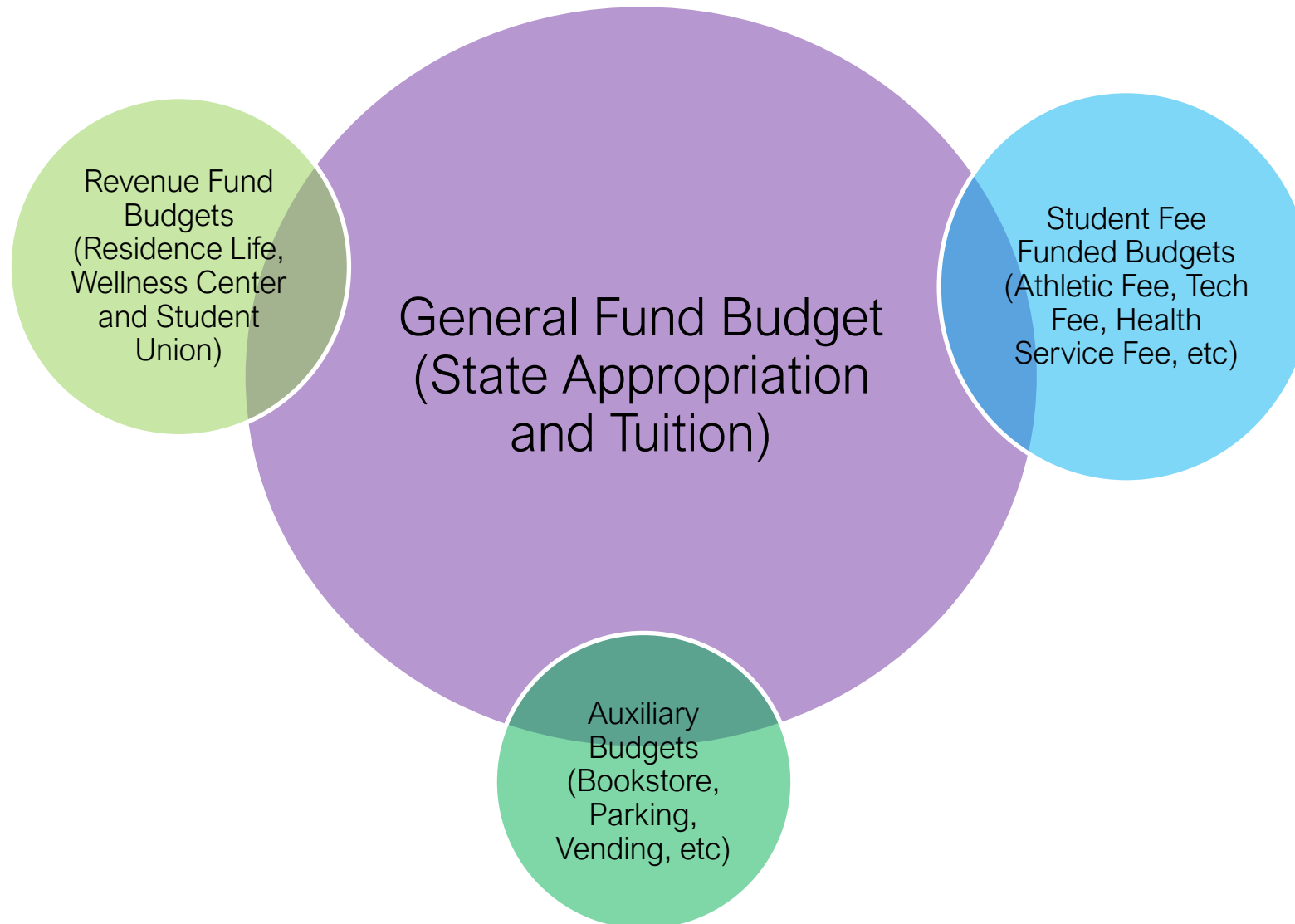
President Janz

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Up Front

- FY25 University General Fund budget deficit reduction of \$7M
- Budget reductions have been determined
- No program closures or layoffs of existing personnel
- Undergraduate Tuition is frozen by Minnesota Legislature for FY25

University Budget Overview

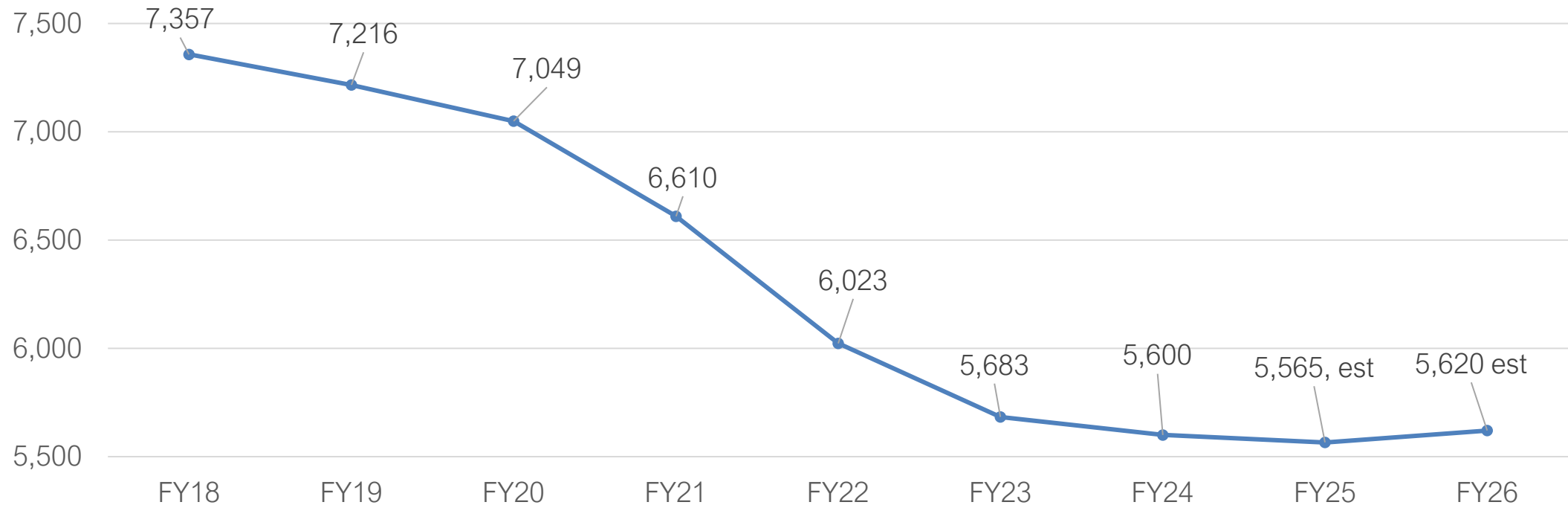




Enrollment

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Total FYE (Full Year Equivalent) Enrollment



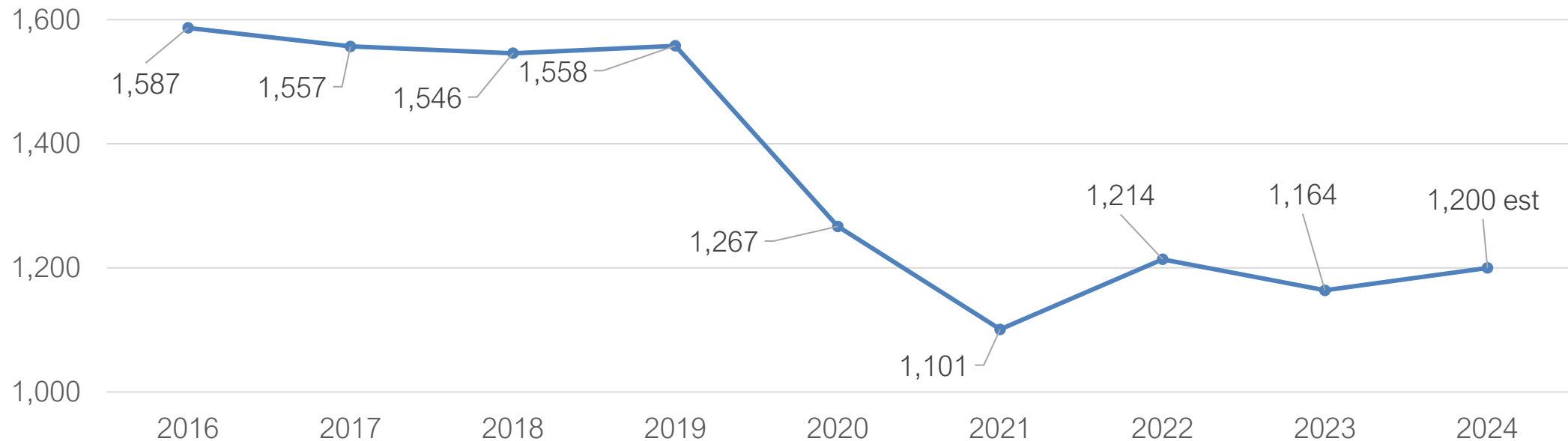
Enrollment Change

FY18 to FY24: -1,757 or -23.9%

FY23 to FY24: -83 FYE or -1.5%

FY24 to FY25: -35 FYE or -0.6%

New Entering Freshman Enrollment

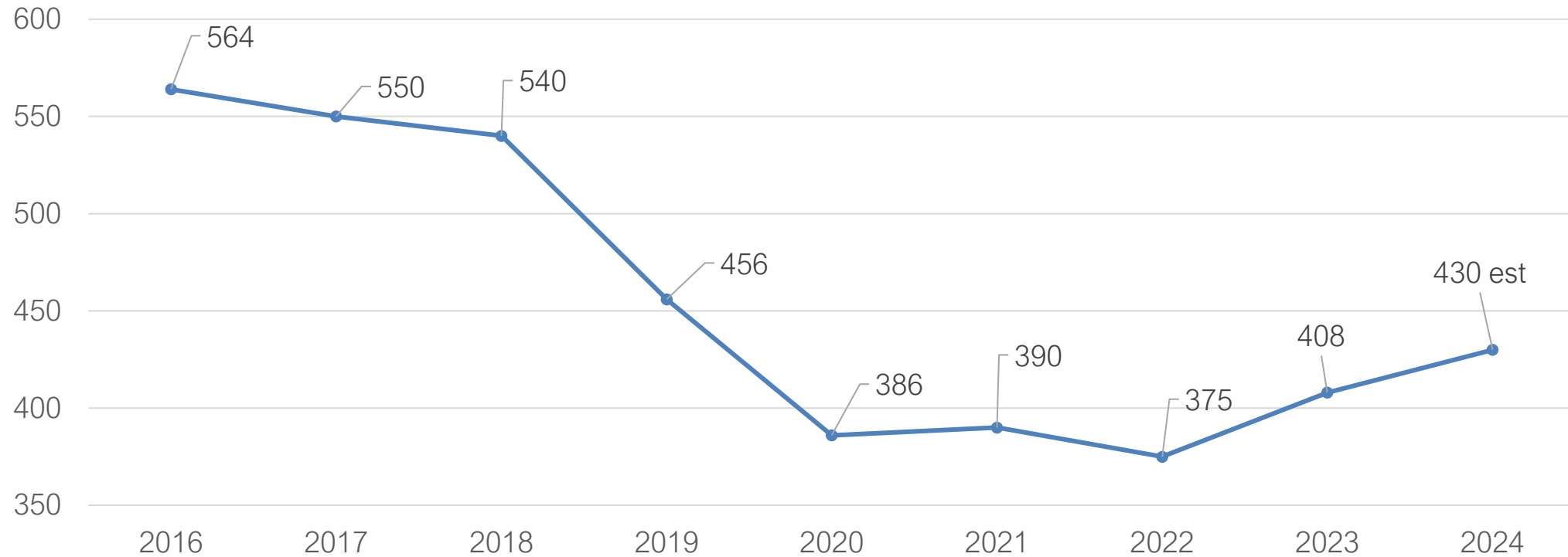


NEF Change

2022 to 2023: -50 or -4.1%

2023 to 2024(est): +36 or +3.1%

New Entering Transfer Enrollment

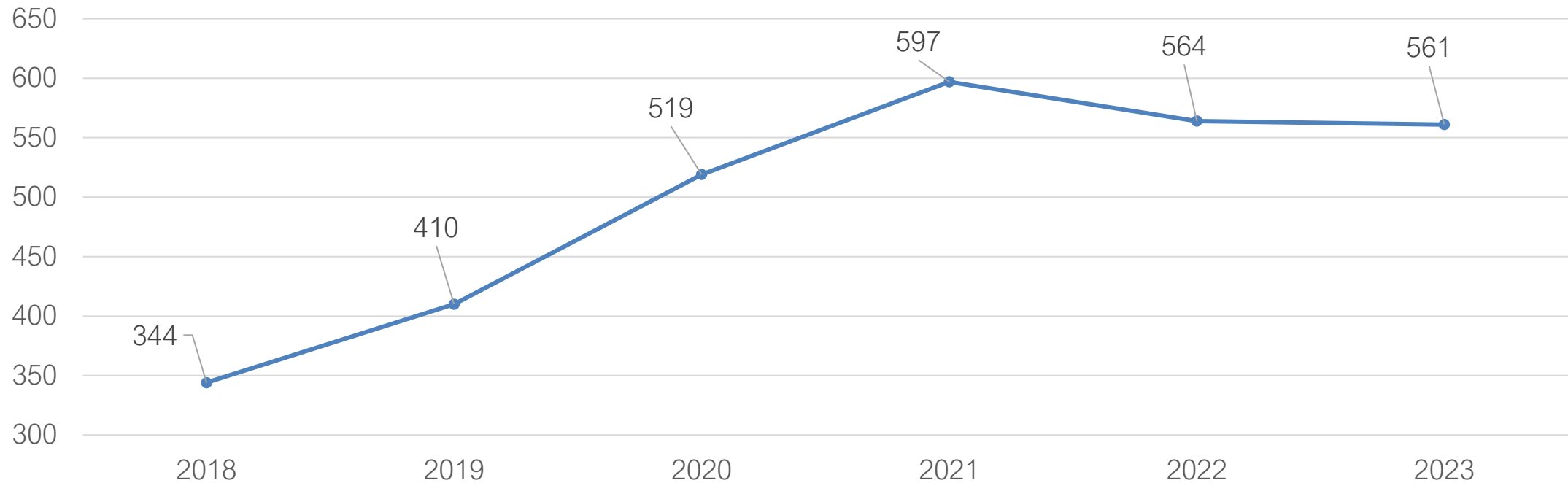


NET Change

2022 to 2023: +33 or +8.8%

2023 to 2024(est): +22 or +5.4%

Graduate Enrollment (FYE)



Graduate FYE Change

2018 to 2023: +217 or +63.1%

2022 to 2023: -3 or -0.5%

Enrollment – Fall 2024 Metrics

- Targets(budget based on):
 - New Entering Freshman: 1,200 (1,164 in 2023)
 - New Entering Transfer: 430 (408 in 2023)
- As of March 18th:
 - Admits tracking up 19%
 - Housing deposits up 12%
 - March registrations have been positive

Enrollment – Mn State

Full Year Equivalent (FYE)	Spring 2023 vs. Spring 2024
Bemidji State	-2.2%
Metro State	2.2%
MSU-Mankato	2.0%
MSU-Moorhead	-4.7%
St Cloud State	0.5%
SW Minn State	4.0%
Winona State	-0.7%
Rochester CTC	5.0%
MNState College SE	14.8%



State Budget and Legislative Update

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State Budget - Legislature

- Current State budget status is a \$3.7B surplus (\$70B state biennial budget)
- **Many new initiatives and funding increases last session = Cautious this session**
- Uncertainty around if Mn State Supplemental Request will be funded (\$61M)
 - **Governor Walz did not include any funding for higher ed in his supplemental budget**
- We used \$1.85M in our budget planning (50% funding level of supplemental)
- CICEL construction request also up for approval



FY24/25 Budget Update

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Where are we? – FY24 Budget

- Budget deficit in FY24 (\$3M) will have to be solved with carryforward and fund balance
 - Hiring chill = 100+ positions vacant (combination of faculty and staff)
- Fund balance is already below the 20% Mn State threshold
 - Current fund balance is around 15%
 - Mn State is watching and monitoring
 - Once budget is balanced, will have to rebuild this fund balance above 20%
- We need as much carryforward as possible
 - Carryforward comes from salary savings due to unfilled positions and unspent operating budgets
 - Annually about \$2M is realized from carryforward (hopefully higher this year)

FY25 Budget Update

- FY25 Budget scenarios ranged from -\$5M to -\$10M
- FY25 Budget reduction target of \$7M – By 7/1/24(FY25)
- Undergraduate tuition is frozen for FY25 – Fully funded @ 3.5%
- Graduate tuition is being consulted on at +3.5% for FY25
- Workday implementation costs: Current \$599,629 + Sustainment(new-FY26) \$239,852
 - Finance and HCM going live on 7/1/24
 - Additional costs when Student goes live

FY25 Budget Reduction Strategy



Budget Reduction Targets

Area	Reduction Target
Academic Affairs	\$4,722,000
Finance and Administration	\$755,000
Enrollment Management and Student Life	\$496,000
Information Technology	\$370,000
Athletics	\$305,000
University Advancement	\$292,000
Presidents Office	\$60,000
Total	\$7,000,000

BESI - 2024

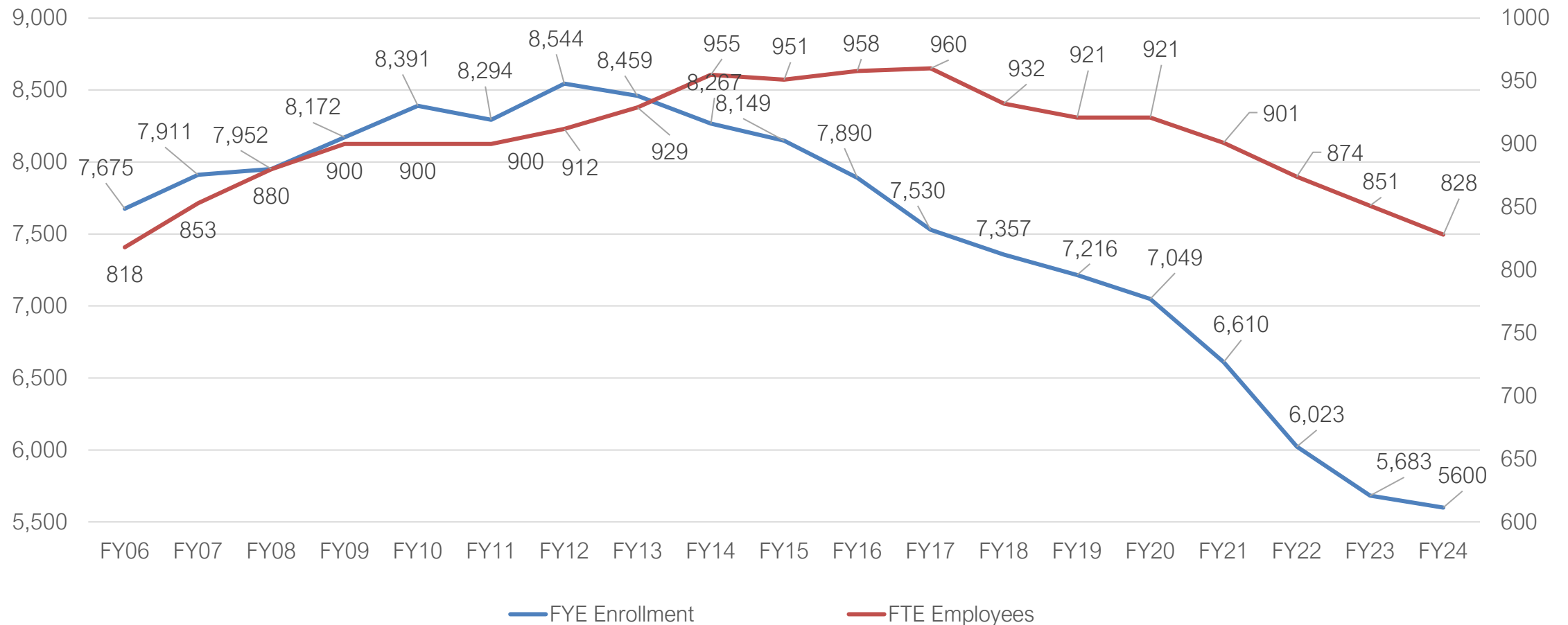
- BESI (Board Early Separation Incentive) – Deadline 12/19/23
 - A budget balancing tool used for the benefit of the institution, not the employee
- 22 total acceptances (approx. 102 offered – 22% acceptance rate)
 - 16 AFSCME (9 Finance/Admin, 2 Academic Affairs, 4 EM&SL, 1 Presidents Office)
 - 3 MAPE (1 IT, 1 Finance/Admin, 1 Advancement)
 - 2 ASF (1 Enrollment Management & Student Life, 1 Academic Affairs)
 - 1 Commissioners Plan (1 Presidents Office)
 - 13 General Fund, 9 Other Funds
- Total BESI incentive payout \$730,000 | Total base budget savings \$1.75M
- 4 positions replaced due to concentrated acceptances in an area

Hiring Chill

- Starting in the Fall, Cabinet limited hiring to essential positions
- More than 100 positions had been held vacant or searches delayed for extended periods of time
- As budget reduction plans became clearer, positions were released
- New HR forms to replace positions – More data and justification
- Cabinet will continue to review and approve all positions for replacement

History of Enrollment and Positions

From FY20 (5 yrs ago)
Enrollment -20% Employees -10%



Student Fee Funded Budgets



Student fee funded budgets
are under pressure

Athletic Fee

- +10.06%
- Subject to Student
Referendum Vote: 3/25-29

Fees are working their way
through the student
consultation process

Health Service Fee

- +5.90%

Student Union Fee

- +8.04%

Wellness Center Fee

- +5.53%

Directors have done a good
job managing their budgets
while still serving students

Technology Fee

- +5.03%

Student Life Fee

- +1.94%



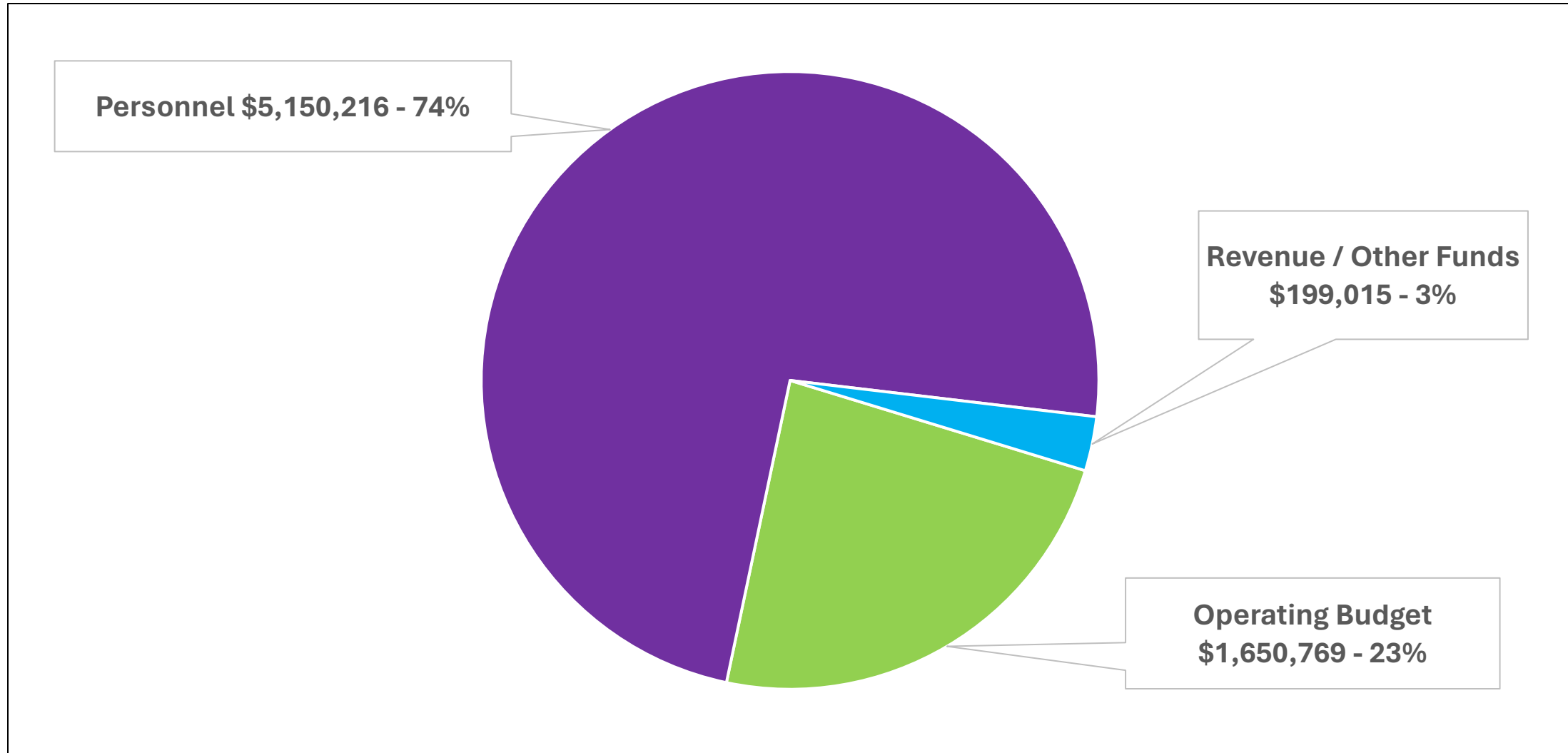
FY25 Budget Reductions Summary

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Budget Reductions Summary – FY25

- 39.75 vacant positions will be eliminated from the budget
- No elimination of academic programs or retrenchment of faculty
- No layoffs where a person moves from employed to no employment
 - Fall of 2023: 2 Layoffs in Health Services (Student Fee Funded Budget)
- Additional details available from your administrator

Budget Reductions by Function – FY25



Budget Reductions by Area – FY25

Unit	Personnel (Salary and Fringe)	Operating Budget	Revenue / Other Funding	Total
Academic Affairs	\$938,454	\$1,182,704	\$0	\$2,121,158
Library	\$0	\$224,577	\$0	\$224,577
Information Technology	\$158,911	\$211,089	\$0	\$370,000
College of Business	\$356,843	\$0	\$0	\$356,843
College of Education	\$229,218	\$0	\$0	\$229,218
College of Liberal Arts	\$642,102	\$0	\$0	\$642,102
College of Nursing and Health Sciences	\$556,550	\$0	\$0	\$556,550
College of Science and Engineering	\$591,552	\$0	\$0	\$591,552
Enrollment Management and Student Life	\$496,000	\$0	\$0	\$496,000
Finance and Administration	\$719,601	\$8,399	\$27,000	\$755,000
University Advancement	\$179,985	\$0	\$112,015	\$292,000
Athletics	\$89,660	\$24,000	\$60,000	\$173,660
Presidents Office	\$191,340	\$0	\$0	\$191,340
Total	\$5,150,216	\$1,650,769	\$199,015	\$7,000,000

Vacant Positions Eliminated by Bargaining Unit

Unit	Total FTE Positions	Vacant Positions Eliminated	% of Positions Eliminated
IFO	463	12.5	2.7%
AFSCME	151	13.25	8.8%
ASF	107	5	4.7%
MAPE	63	4	6.3%
Administrators	21	2	9.5%
MMA	13	1	7.7%
Commissioners	8	2	25.0%
MNA	2	0	0%
Total	828	39.75	4.8%

Vacant Positions Eliminated by Area

Unit	IFO	ASF	AFSCME	MAPE	Administrators	MMA	Commissioners	Total
Academic Affairs	0	3	1	0	2	0	1	7
Information Technology	0	0	0	1	0	0	0	1
College of Business	2	0	0	0	0	0	0	2
College of Education	1	1	0	0	0	0	0	2
College of Liberal Arts	4	0	1	0	0	0	0	5
College of Nursing and Health Sciences	2	0	0	0	0	0	0	2
College of Science and Engineering	3.5	0	1	0	0	0	0	4.5
Enrollment Management and Student Life	0	0	3.25	0	0	0	0	3.25
Finance and Administration	0	0	7	1	0	1	0	9
University Advancement	0	1	0	1	0	0	0	2
Presidents Office	0	0	0	1	0	0	1	2
Total	12.5	5	13.25	4	2	1	2	39.75

Budget Reductions – 25/75 and Summer Session

- 25% / 75% Revenue Share Models eliminated for Academic Programs
 - NAI Funded positions will revert to the General Fund Budget
 - Annual budget savings estimated at \$550,000
- Change of percentage distributions in Summer Session Model
 - Annual budget savings estimated at \$565,000

	ACE	Library	Academic Departments	University	Total
Current	12.5%	5%	22.5%	60%	100%
New	2%	5%	17%	76%	100%
Change in %	-10.5%	0%	-5.5%	+16%	0%

Budget Reductions - Other

- Other items to discuss
 - Shifts related to Presidential transition
 - Assignment of administrative duties
 - Reorganizations previously shared
 - Impacts of reduction in positions in various departments

Calendar

- Super Meet and Confer – Thursday, February 29th, 8am
- State Economic Forecast – Thursday, February 29th, 8:30am
- WSU Presidential Appointment – Wednesday, March 20th
- Super Meet and Confer – Monday, March 25th, 11am
- Budget Forum (Hybrid-In Person and Zoom) – Monday, March 25th, 3pm
- Legislative Adjournment – Monday, May 20th
- Mn State Board of Trustees Approve Budget, Tuition and Fees – June BOT Meeting



Thank You!

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