

Welcome to
Town Hall
April 15, 2020

*You may not hear any sound.
Audio/video will begin at 10 a.m.*



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MSUM

Budget Planning

Jean Hollaar, VP Finance & Administration



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MSUM Budget Plans

- FY 2021
- FY 2022

MSUM Planning & Budgeting Process

- Aligned with our strategic framework, our strategic priorities and our master plans
- Create staffing plans that are integrated with our curriculum decision-making process.
- Budget investment, reallocation and reduction decisions will all be informed by data and metrics

MSUM FYs 2021-2022 Budget Planning Timeline

- Planning & budgeting process started Fall 2019
- Instructional planning metrics data provided
- Budget planning parameters identified
 - Realistic initial revenue-expense projections

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Budget Planning Parameters

Revenues

- Campus Allocation
- Tuition Revenues
 - Tuition Rate
 - Enrollment

Expenses

- Salary & Fringe Benefits
- Operations

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Budget Planning Scenarios

- Scenario A – More Favorable
- Scenario B – Most Likely
- Scenario C – Less Favorable

Budget Planning Scenario B – Most Likely

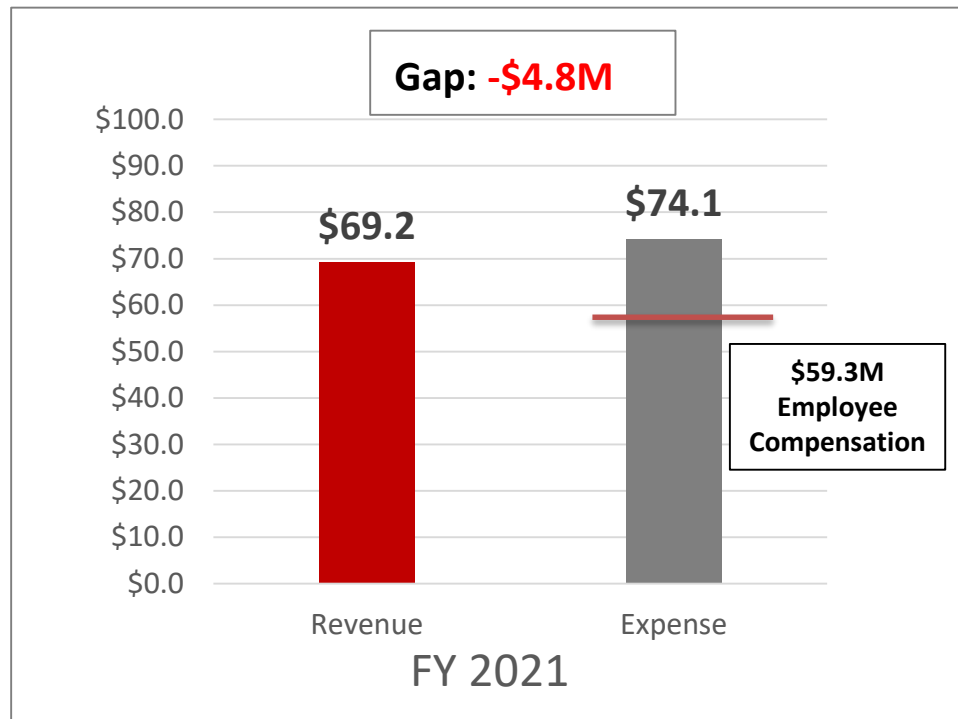
Scenario B - Most Likely

Revenue	FY 2021	FY 2022
Campus Allocation	-1%	3.7%
Tuition Rate	3%	3%
Enrollment	-2.35%	-1.88%

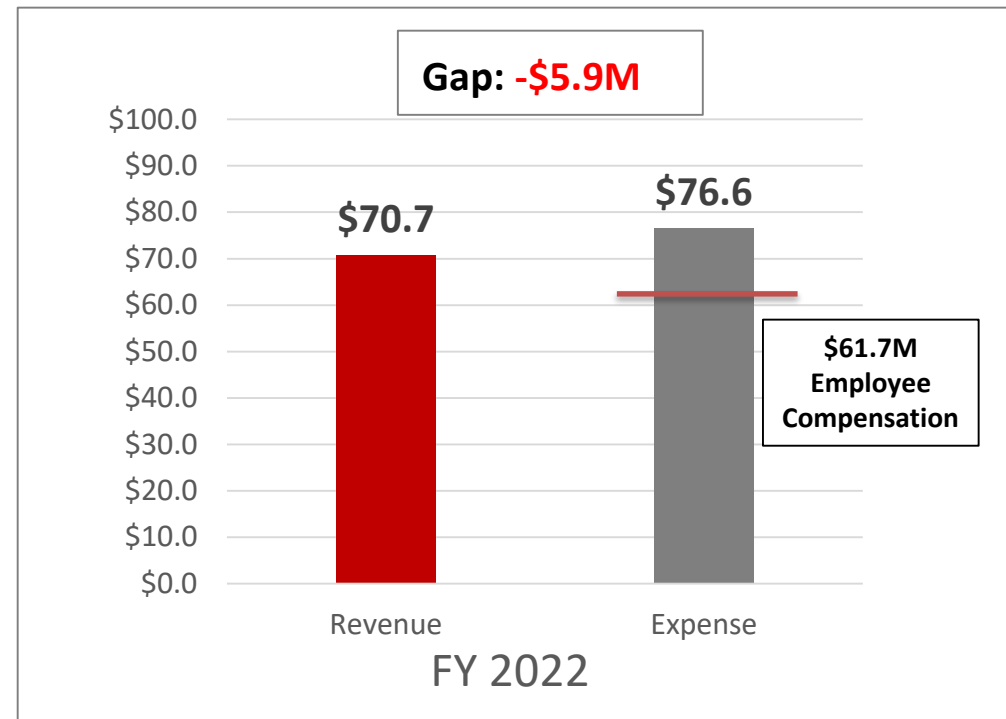
Expense	FY 2021	FY 2022
Salary	2.25%	2.5%
Fringe Benefits	7.5%	7.4%
Operations	0%	3%

Budget Planning Scenario B – Most Likely

FY 2021



FY 2022



MSUM FYs 2021-2022 Budget Planning Timeline

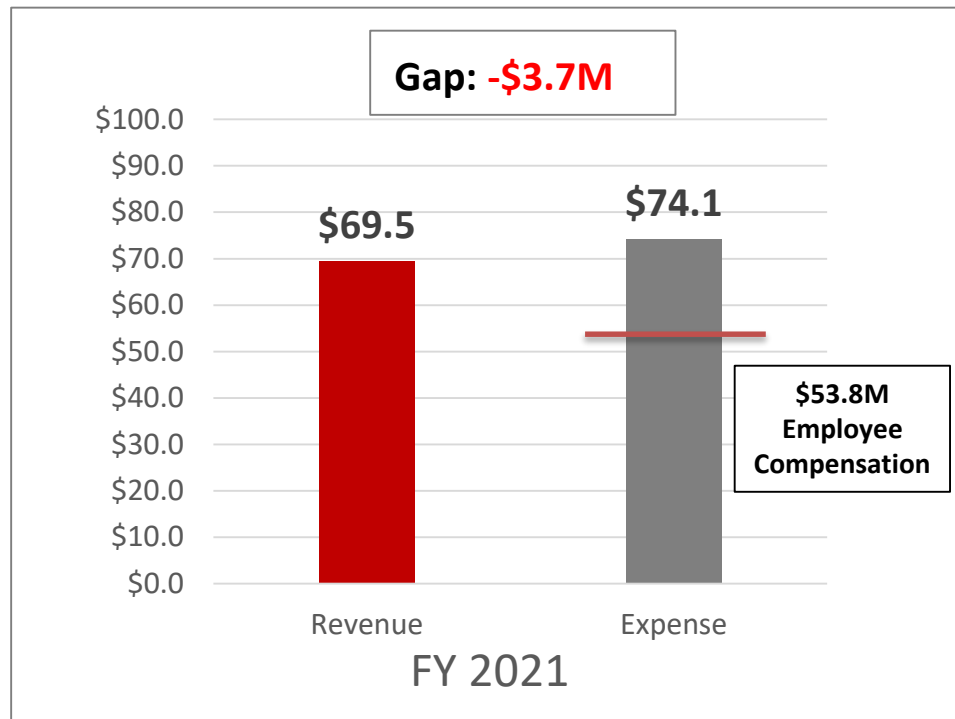
- Division budget targets were set to balance the budget using the most likely scenario
- Cabinet leaders worked within their divisions and with each other to create a comprehensive budget plan aligned with projected revenue
- Comprehensive budget plan presented to University Planning & Budget Committee (UPBC)

MSUM FYs 2021-2022 Comprehensive Budget Plan

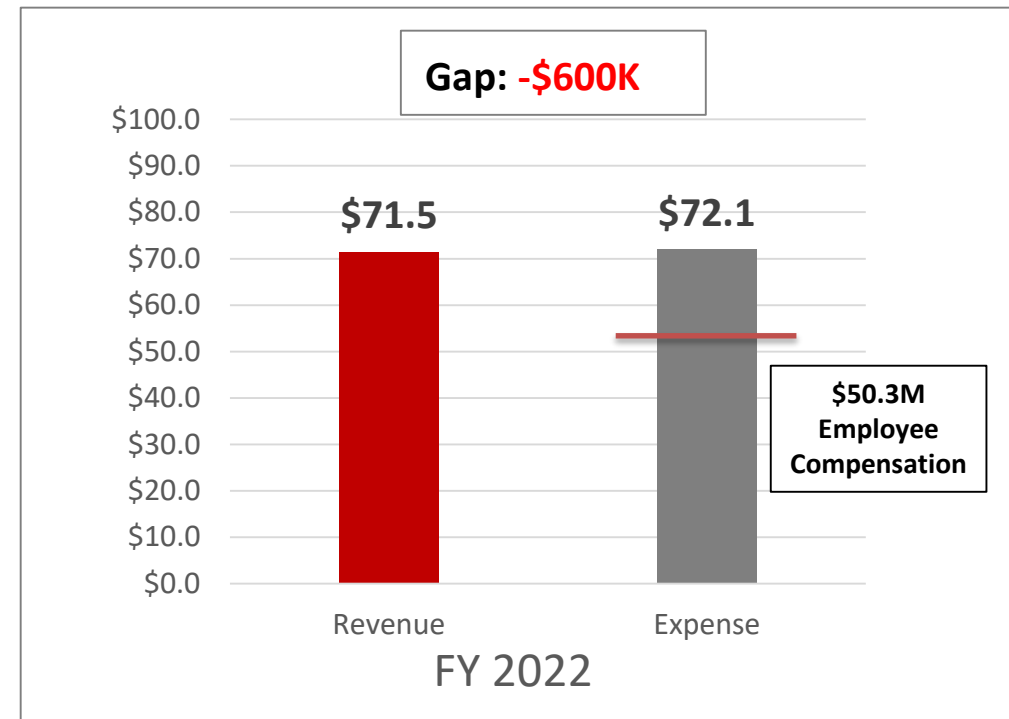
Division	FY 2020 Budget	FY 2021 Budget	Net Change %	FY 2022 Budget	Net Change %
Academic Affairs	\$39,804,880	\$38,038,736	-4.44%	\$35,292,687	-7.22%
Athletics	\$3,690,282	\$3,664,047	-0.71%	\$3,515,806	-4.05%
Enrollment Management & Student Affairs	\$5,925,328	\$5,402,714	-8.82%	\$5,042,589	-6.67%
Finance & Administration	\$10,265,865	\$9,867,405	-3.88%	\$9,955,472	0.89%
Human Resources	\$675,842	\$675,842	0.00%	\$608,258	-10.00%
President's Office	\$617,901	\$617,901	0.00%	\$527,140	-14.69%
University Advancement	\$2,186,816	\$1,936,031	-11.47%	\$1,742,428	-10.00%

Comprehensive Budget Plan

FY 2021



FY 2022



MSUM FYs 2021-2022 Budget Planning Timeline

- UPBC provides input and feedback on the budget plan before the end of spring semester
- Input and feedback is received through Meet & Confers
- President finalizes the budget plan

Guiding Principles

President Anne Blackhurst



MINNESOTA STATE UNIVERSITY
MOORHEAD.

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Achieve Structural Balance

- Costs are outpacing revenue
 - State support has declined
 - MSUM spends more per student than comparable universities
- What we can control is how we allocate the resources we have
- We must make difficult decisions today to position MSUM for the future

Guiding Principles

- Communicate with affected employees first
- Honor our employee contracts
- Align our budget with our strategic priorities
- Consider the impact on enrollment; invest in growing programs
- Position the university for the future

University of the Future

- Fewer, more focused priorities
- More nontraditional students and more flexible delivery modes
- Flexible and agile; able to take advantage of opportunities
- Lean: lower operating costs; employees who are generalists, with multiple responsibilities
- High quality programs aligned with regional demand

Program Closures

Arrick Jackson, VP of Academic Affairs



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Our Programs

The top enrolled **35%** of our programs
produce **77% of all graduates**

Program Closures

Approximately **175 students** enrolled in these programs:

- Advertising (16)
- Public Relations (6) (*Integrated Advertising & PR still offered*)
- American Multicultural Studies (0)
- International Studies (26)
- Paralegal (54)
- Philosophy BA degree (8)
- School Psychology (10)
- Spanish Education (8)
- Theatre Arts (27)
- TESL (Graduate) (4)
- New Rivers Press

Academic Programs

MSU Moorhead's academic offerings will continue to include:

- Graduate majors: 11
- Undergraduate Majors: 76
- Undergraduate Minors: 78
- Undergraduate Certificates: 28

MSUM Staffing Plan

Jean Hollaar, VP of Finance & Administration



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Positions not in the FY 2021 budget plan

Administrator	Administrator	1
Faculty	IFO	12
Staff	AFSCME	11.5
	MAPE	2

IFO: 8.5 vacant positions; 3 fixed-term positions

AFSCME: 2 vacant positions

Positions not in the FY 2022 budget plan

Administrator	Administrator	2
Faculty	IFO	24
Staff	Commissioner's	2
	MAPE	1
	MSUAASF	4

MAPE: 1 vacant position

MSUAASF: 1 vacant position

Positions not in the FY 2024 budget plan

Faculty	IFO	7
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Total Personnel Reductions FY21-FY24

		Reduction	% of Total
Administrator	Administrator	3	-15%
Faculty	IFO	43	-13%
Staff	AFSCME	11.5	-9%
	Commissioner's	2	-29%
	Managerial	0	0%
	MAPE	3	-6%
	MMA	0	0%
	MSUAASF	4	-6%
All employees		66.5	-11%

Faculty Rosters Impacted

- Accounting
- American Multicultural Studies
- Archaeology
- Art: Studio
- Economics
- English: Writing
- Geographical Information Sciences
- History
- Journalism
- Mathematics
- Paralegal
- Philosophy
- Physics
- School Psychology
- Sociology
- Teaching English as a Second Language
- Theatre Arts
- Theatre: Dance

Board Early Separation Incentive (BESI) Offers

- Incentive: \$25,000
- Offered only in rosters and classifications where layoffs are planned.
- Positions will not be replaced.

Board Early Separation Incentive (BESI) Offers

AFSCME

- OAS Intermediate
- OAS Senior

MAPE

- Instructional
Communications
Specialist

Board Early Separation Incentive (BESI) Offers

IFO ROSTERS

- Accounting
- American Multicultural Studies
- Archaeology
- Economics
- English: Writing
- History
- Journalism
- Mathematics
- Paralegal
- Philosophy
- Physics
- School Psychology
- Teaching English Second Language

What Happens Next

President Anne Blackhurst



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Timeline

- April 14: Conversations with affected employees
- April 14: Bargaining unit leader meeting
- April 15: Plan presented at UPBC & Town Hall
- April 17: BESI Offers Sent
- April 22: UPBC Feedback
- April 30: Meet and Confer
- May 6: UPBC Feedback

Timeline

- May 8 & 11: BESI Acceptance & Decisions
- May 13: UPBC Feedback (if needed)
- May 15: FY21 Budget Plan Finalized
- May 18: Formal Layoff Notices for Staff
- June 1: Decision Day for Classified Staff with bumping rights
- Fall 2020: FY22 Budget Plan Finalized; Formal Layoff Notices for Faculty



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Questions

Cabinet



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