State of the University, Etc.

Fiscal Sustainability
• Balanced Budget
• Elements of Sustainability
• Long Term Budget Plan

Student Success
• Enrollment Management/Recruitment
• Planning for Academic Success/Retention
• Data Informed Decision Support
# Balanced Budget

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Structural Deficit</th>
<th>Decrease in State Allocation</th>
<th>State Allocation</th>
<th>Tuition Rate Increase From Previous Year</th>
<th>Total Tuition Revenue</th>
<th>Misc. Revenue</th>
<th>Total General Fund Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>09 (AY 08-09)</td>
<td>4.95M</td>
<td>$29.8M</td>
<td>3%</td>
<td>$32.9M</td>
<td>$.8M</td>
<td>$63.5M</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>0</td>
<td>$3.3M</td>
<td>$26.6M</td>
<td>5%</td>
<td>$38M</td>
<td>$1.2M</td>
<td>$65.8</td>
</tr>
<tr>
<td>11</td>
<td>0</td>
<td>$.89M</td>
<td>$25.7M</td>
<td>5.13%</td>
<td>$39.4M</td>
<td>$1.4M</td>
<td>$66.5</td>
</tr>
<tr>
<td>12</td>
<td>0</td>
<td>$2.6M</td>
<td>$23.1M</td>
<td>5%</td>
<td>$41.8M</td>
<td>$1.8M</td>
<td>$66.7</td>
</tr>
</tbody>
</table>
Budget Highlights

• Thanks to everyone for the hard work that has given us a balanced and sustainable budget.
• We can now cautiously plug holes and move forward.
• Our fiscally conservative budget plan continues to underestimate revenue and overestimate expenses.
• For detail on our journey to fiscal sustainability, see http://www.mnstate.edu/president/Speeches/fiscal/sustainabilitybudgetbasics081211.pdf.
Budget Highlights

• The state has steadily disinvested in public higher education.

• Today, our state funding is $23.1M, which is 36% of our general fund budget. The remaining 64% comes from tuition and fees.

• In 1996, our state funding was $23.09M, which was 64% of the general fund budget. The remaining 36% came from tuition – the exact opposite of today.

• The change from FY 2009 to FY 2011 was particularly steep, from 48% tuition and fee funded in FY09 to 64% for the coming year.
Elements of Sustainability
Revenue Projections

• Our primary sources of revenue are tuition revenue and state funding.
• State funding is likely to continue to decrease.
• Tuition is still very affordable compared to our competitors, so we have some room to replace lost state funding.
Elements of Sustainability
Revenue Projections
(Tuition and Fee Comparisons)

### Major Competitors

<table>
<thead>
<tr>
<th>University</th>
<th>Tuition ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSUM</td>
<td>$6,937</td>
</tr>
<tr>
<td>NDSU</td>
<td>$7,457</td>
</tr>
<tr>
<td>UND</td>
<td>$6,972</td>
</tr>
<tr>
<td>UM Twin Cities</td>
<td>$13,060</td>
</tr>
<tr>
<td>UM Duluth</td>
<td>$12,350</td>
</tr>
<tr>
<td>Mankato</td>
<td>$6,836</td>
</tr>
</tbody>
</table>

### Other Residential System Schools

<table>
<thead>
<tr>
<th>University</th>
<th>Tuition ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bemidji</td>
<td>$7,300</td>
</tr>
<tr>
<td>Winona</td>
<td>$7,203</td>
</tr>
<tr>
<td>Southwest</td>
<td>$7,424</td>
</tr>
<tr>
<td>St. Cloud</td>
<td>$6,846</td>
</tr>
</tbody>
</table>
Elements of Sustainability
Expense Projections

• The largest portion of increased expenses is likely to come from increased personnel costs.
• Personnel costs comprise 80% of our budget.
• Other general fund budget costs, usually referred to as operating, include energy, materials, contracted services, etc.
• New building and major renovations are not part of the general fund budget and are supported by separate state appropriations.
Elements of Sustainability
Relationship of Revenue Projections to Expense Projections

• We have a relatively closed system
  – two major sources of revenue: tuition (64%) and state funding (36%)
  – two major sources of expense: personnel (80%) and operating (20%)

• Looking only at increases and not cuts, each 1% increase in compensation must be accompanied by ~ a 1.25% increase in tuition revenue.
Elements of Sustainability
Infrastructure Funding and Return on Investment

• MSUM’s Federal indirect rate of 44% reflects the % of budget that should go into infrastructure.
• Given that state funding only covers 36% of the general fund budget, tuition revenue must not only fund direct instructional costs but also some infrastructure.
• We need to maintain the institutional cost recovery rate at or above 120% while also improving program quality.
Elements of Sustainability
Some Campus Processes that Connect Resource Allocation to Revenue Generation and Efficiency

• Academic Affairs Budget Advisory Committee
• Non-Instructional Budget Advisory Committee
• LEAN
Planning for Fiscal Sustainability

• Plan for decreasing state funding.
• Plan to **gradually** increase enrollment to 8,000.
• Plan for compensation increases well in advance of settlements. We have budgeted 5% for this biennium and will budget 3% a year thereafter.
• Plan for conservative tuition increase of 4-5% per year.
Successful Freshman Recruitment Strategies

- Significant increase in freshman applications.
- Admit rate was up 7% over fall 2010.
- We referred over 200 more students to community colleges compared to fall of 2010.
- Students who were admitted/enrolled via individually reviewed process have a higher quality academic profile than previous enrollments of individually reviewed students.
Successful Transfer Recruitment Strategies

- Two Transfer teams:
  - Twin Cities team focuses on recruiting for two year Metro schools and off-site/on-line programs.
  - MSUM based transfer team focuses heavily on northern MN two years including M-State and Northland, NDSCS and other North Dakota two year schools.

- Each transfer student has an assigned counselor tracking them through the recruitment funnel due to implementation of Hobson’s CRM.
New and Improved Transfer Registration Process

- In addition to regular transfer Dragon Days, we added 9 transfer registration days done via phone appointments and on-line.
- Additional transfer counselors have resulted in the double digit increase in transfer enrollment.
10th Day Occupancy in Res. Halls

<table>
<thead>
<tr>
<th>Ten Day Report-</th>
<th>Fall 2011</th>
<th>Fall 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Room Assignments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Students</td>
<td>1134</td>
<td>1150</td>
</tr>
<tr>
<td>Returning Students</td>
<td>604</td>
<td>534</td>
</tr>
<tr>
<td>M-State Students</td>
<td>8</td>
<td>51</td>
</tr>
<tr>
<td>TOTAL Students</td>
<td>1746</td>
<td>1735</td>
</tr>
<tr>
<td>with Room</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assignments</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
10th Day Enrollment Perspective

• When we made the decision to close the Corrick Center, we also decided to follow our admissions standards more closely, admitting only students who had a reasonable probability of success. This translated to a predicted drop of at least 100 freshmen. We are down 93, having referred 203 more applicants to community colleges.

• Two lower classes are still in the pipeline, which translates into fewer returning students.

• We have implemented a stricter suspension and appeals process with 31 more suspensions than last year.
10th Day Enrollment Perspectives

• Given the changes, enrollment is within predicted bounds and consistent with our fiscally sustainable budget.
• It should be noted that 10 day numbers are not completely stable.
• We will continue to add students for a few weeks.
• The gold standard is 30th day numbers, which are used in external reports.
10th Day Comparisons

2010
- 3,533 applications
- 94 applicants referred to community colleges.
- 1,217 enrolled new entering freshmen
- 21.92 mean ACT score of enrolled freshmen (sd 3.46)

2011
- 4,090 applications
- 297 applicants referred to community colleges.
- 1,124 enrolled new entering freshmen
- 22.15 mean ACT score of enrolled freshmen (sd 3.30)
10th Day Comparisons

2010
• 606 new enrolled transfers
• 4,878 enrolled returning undergraduate students

2011
• 671 new enrolled transfers
• 4,693 enrolled returning undergraduate students
• Top 10 sources of enrolled transfers
  – MSCTC, NDSU, NDSCS, NHCC, Bismarck State, Northland, Ridgewater, Hennepin Tech, Anoka Ramsey, Alexandria
10th Day Comparisons Continued

2010
- 105 new graduate students
- 359 returning graduate students
- 7451 total head count

2011
- 149 new graduate students
- 295 returning graduate students
- 7219 total head count
Student Success
Academic Success

• Retention
• Graduation
• Engagement
Comparisons with Institutional Peers (10 year averages)

• 102 Moderately Selective Institutions
  • First-year retention: 74.5%
  • 6-year graduation rate: 47.3%

• MSU Moorhead
  • First-year retention: 68.3%
  • Six-year graduation rate: 41.6%
National Survey of Student Engagement (NSSE)

• Seniors report high levels of engagement compared to state and national peers
• First-year students report relatively low levels of engagement compared to students at comparable institutions
Planning for Academic Success

• Task Force on Retention and Graduation
• Student Success Center
• Data-informed Decision Making
• Office of Institutional Effectiveness
Student Success Center

- New names
- New spaces
- Support for all students
- Grand Re-Opening
  - September 12-16, 2011
Support for Individually Reviewed Students

• How Identified
• Requirements
  • Limited credits
  • Individual review of appropriate schedule
  • Enrolled in *Introduction to Academic Success*
  • Monthly meetings with instructor and/or advisor
Institutional Effectiveness

• What Does It Mean?
  – Using Data to make informed decisions about the University

• Who Will It Involve?
  – AVP for Records and Institutional Effectiveness: Russ Curley
  – Senior Data Architect: Penny Railing
  – Information Technology staff
  – Administrators
  – Faculty
  – Staff

• What Will It Look Like?
  – A hierarchy of data
  – Data Warehouse
  – Data Harvesting
  – Data Mining
  – Blackboard Analytics
  – For now: datareq@mnstate.edu