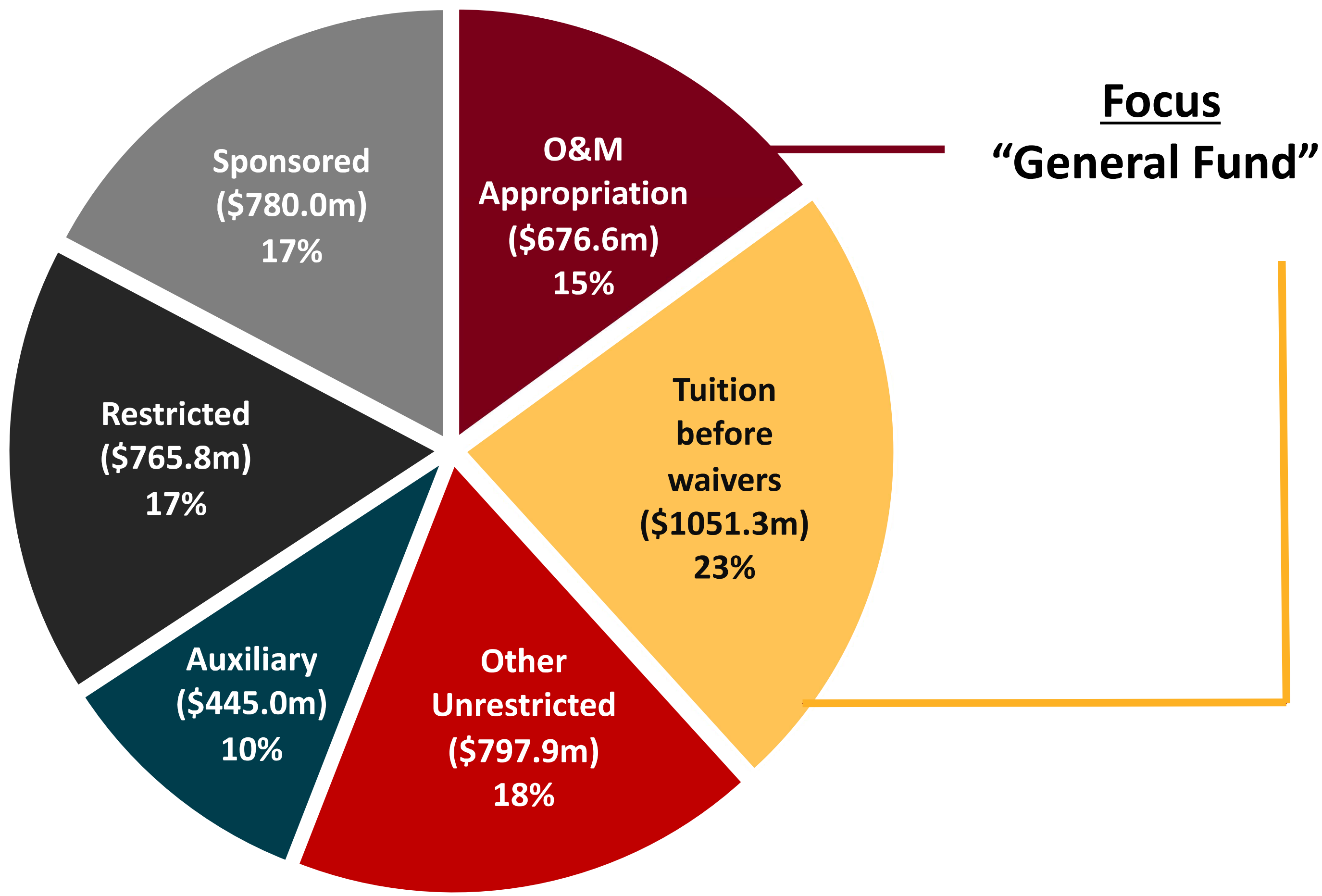
Supplemental Request
Agenda

1. Three Background Topics for Context
    - University’s Total Budget
    - Tuition and Enrollment
    - FY24 – Allocation of Increase Appropriation

2. Supplemental Request

U of M Revenue Sources by Fund Category

FY2024: $4.5 Billion



Tuition

Rates, Enrollment, Revenues

University of Minnesota Total Enrollment

10 Year History

FALL SEMESTER OFFICIAL COUNT

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	% Change
Crookston	**2,850**	**2,823**	**2,676**	**2,834**	**2,810**	**2,768**	**2,530**	**2,304**	**2,303**	**2,518**	**-11.6%**
Duluth*	**11,093**	**10,878**	**11,018**	**11,168**	**11,040**	**10,858**	**10,275**	**9,884**	**9,675**	**9,350**	**-15.7%**
Morris	**1,899**	**1,856**	**1,771**	**1,627**	**1,554**	**1,499**	**1,339**	**1,286**	**1,068**	**1,020**	**-46.3%**
Rochester*	**488**	**416**	**435**	**472**	**533**	**572**	**632**	**646**	**630**	**588**	**20.5%**
Twin Cities	**51,147**	**50,678**	**51,580**	**51,848**	**50,943**	**51,327**	**52,017**	**52,376**	**54,955**	**54,890**	**7.3%**
TOTAL	**67,477**	**66,651**	**67,480**	**67,949**	**66,880**	**67,024**	**66,793**	**66,496**	**68,631**	**68,366**	**1.3%**

* Some programs operate on multiple campuses: for example, in fall 2023, Rochester served 344 students that were officially enrolled in and included in counts for the Twin Cities & Duluth campuses.

Current Year (FY24) Est. Tuition Revenue

Compared to Budget – Total Variance <1%/’’Normal”

	FY24 Budget	Updated Estimate	Variance	% Change
Crookston	$15.7	$17.2	$1.5	+10%
Duluth	$104.2	$102.9	($1.3)	-1%
Morris	$9.3	$8.0	($1.3)	-14%
Rochester	$10.4	$8.6	($1.8)	-18%
SUBTOTAL	$139.6	$136.7	($2.9)	-2%
Twin Cities	$851.7	$850.9	($0.8)	-0.01%
TOTAL	$991.3	$987.6	($3.7)	-0.4%

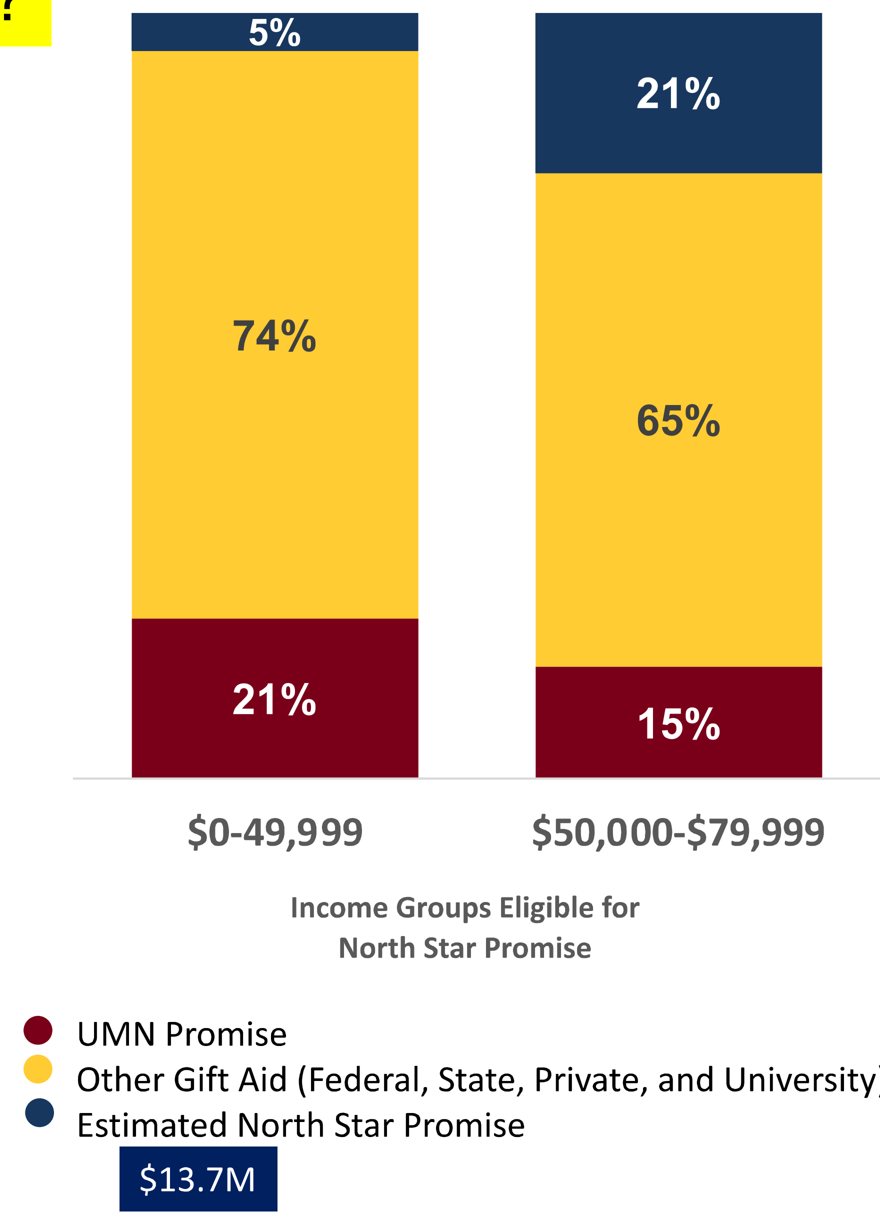
(dollars in millions)

- **Learning why some campuses and colleges are below estimate** – to guide future actions
- **Reassessing and revising revenue estimating methodologies** – campuses/TC colleges/central
- **Working with campuses & TC colleges now on adjusting budgets** during this fiscal year to address shortfalls and long term where necessary

Checking for updates?

Projected Impact of North Star Promise

How tuition, surcharges, and fees will be covered beginning 2024-25



North Star Promise Eligible Population

projected tuition, surcharges and fees coverage by campus

Checking for updates?

2024-25: BASED ON 2022-23 STUDENT #S AND CHARACTERISTICS

	NSP Eligible Student	Tuition, Surcharge and Fees Total	UMN Promise Award Total	Other Gift Aid Total	Est. North Star Promise Cost Total
Crookston	299	$3.1	$0.6	$2.2	$0.3
Duluth	1,592	$20.6	$4.1	$14.0	$2.5
Morris	236	$2.9	$0.6	$2.2	$0.1
Rochester	211	$2.6	$0.6	$1.8	$0.1
Twin Cities	6,406	$97.2	$17.5	$69.0	$10.7
TOTAL	**8,744**	**$126.4**	**$23.4**	**$89.2**	**$13.7**

Resource Allocations

State Appropriation Results for FY24 and FY25

University of MN - Incremental Appropriation for the 2024-2025 Biennium:

Recurring	Request FY24	Final Bill FY24		Request FY25 Over FY24	Final Bill FY25 Over FY24
Core Mission	45,000,000	50,000,000		45,000,000	0
Tuition Shortfall	24,000,000	0		0	0
Safety & Security	5,000,000	1,000,000		0	0
American Indian Scholars	4,500,000	4,032,000	*	0	0
Unemployment Insurance Aid	0	366,000		0	0
Menstrual Products	0	110,000		0	0

*Appropriation to the Office of Higher Education for transfer to the University for students

$50M in FY24 for Core Services

Available Resources

- Tuition
- <u>State Appropriation</u>
- Other

Costs & Investments

- Student Services
- Faculty and Staff
- Facility Costs
- Planned Cuts/Reductions
- Other

Balancing the Budget

Approved Budget Framework for FY24

Where the $50 million went

FY 2024 Recurring Framework
State and Tuition Funded Activities

	Proposed
Incremental Resources:	
Appropriation for Core Mission	$50,000,000
Appropriation/State Transfer for Items Specified in Law	$5,500,000
Unit Reallocations/Other Revenue Increases	$39,500,000
Tuition Revenue	$23,500,000
One-Time Central Balances to Bridge	$8,300,000
Total Incremental Resources	$126,800,000
Incremental Investments:	
Compensation and Benefits	$58,400,000
FY 2023 Tuition Revenue Challenge	$23,300,000
Facilities and Technology Infrastructure	$13,800,000
Core Operations and Services	$13,100,000
Program/Compliance/Student Aid	$9,300,000
Total Incremental Investments	$117,900,000
Balance Held for FY25 Costs	$8,900,000

Combined with:

Unit Budget Cuts
Tuition

Paying for:

Combined set of recurring costs

Totaling more than originally estimated


Supplemental Request

Supplemental Budget Request

$45M for Core Mission

STATE APPROPRIATION

	2024	2025	Biennial
Current O&M Recurring Base	$672.3	$672.3	$1,344.6
Core Mission Request - Recurring	$0.0	$45.0	$45.0
Total O&M Recurring Base	$672.3	$717.3	$1,389.6
% change from base			3.3%

(dollars in millions)

Our Core Services Across Minnesota

- **Student success/Workforce development**
  - Instruction – in-person & online courses
  - Academic advising, tutoring, career development
  - Student safety, including mental health and wellness, emergency and crisis intervention
- **Research and innovation**
- **Public engagement**
- **Academic health: research, innovation & facilities**

Requires Us To Pay For:

- ✓ **Fair compensation**
- ✓ **Classroom/lab equipment & supplies**
- ✓ **Facility maintenance**
- ✓ **Technology**

$45M

will have impact on our ability to deliver on our mission

- ✓ **Limit tuition increases** for students
- ✓ **Retain our talent** through increased compensation for faculty and staff
- ✓ **Invest in more student services** such as counseling, advising, and academic support
- ✓ **Maintain classrooms and instructional spaces**
- ✓ **Support research and technology** infrastructure
- ✓ **Preserve and maintain safe, functional, and accessible facilities**