



November 14, 2023

FY2025 Supplemental Budget Request

FY2024-FY2025 Biennial Budget New Funding versus Estimated New Cost Increases

Appropriations in Thousands of Dollars	Biennial dollars in thousands
College and University Operations Increased Funding	\$128,000
College and University Funding for Tuition Freeze	\$75,000
Adjusted Estimate of Biennial Compensation and Operating Cost Increases	(\$264,000)
Unmet Needs/Supplemental Request	(\$61,000)

Further Development of Supplemental Request

- Ongoing and additional consultation occurred with bargaining units, statewide student associations, Leadership Council, and others between first and second reading of supplement request.
- The need for additional resources was strongly endorsed. Feedback included the need to ask for more than \$61 million as well as asking for additional dedicated funding to support student needs.
- Allocation of the new resources would align with how the funding for this biennium was distributed to colleges and universities.
 - 62% allocated using the allocation model
 - 38% based on the methodology used to distribute funding to support the tuition freeze

FY2024-2027 Total Appropriation Levels Proposed

State Appropriation Funding (dollars in thousands)	FY2024	FY2025	Biennium FY24-25	FY2026	FY2027	Biennium FY26-27
Current Funding	\$948,896	\$923,232	\$1,872,128	\$873,743	\$873,754	\$1,747,497
Supplemental Budget Request	\$0	\$61,000	\$61,000	\$61,000	\$61,000	\$122,000
Total Proposed Funding	\$948,896	\$984,232	\$1,933,128	\$934,743	\$934,754	\$1,869,497

Recommended Action

The Finance and Facilities Committee recommends that the Board of Trustees approves the fiscal year 2025 request in the amount of \$61,000,000 in ongoing base funding. Full funding of the \$61,000,000 would provide colleges and universities additional resources to support ongoing biennial costs that currently exceed the additional ongoing biennial revenue.

The Board of Trustees has been granted the authority in state statute to govern and operate Minnesota State. The board, after full consultation with Minnesota State constituencies, will make final budget decisions at the conclusion of the legislative session.

FY2024-FY2026 Annual Appropriations

State Appropriation Funding (dollars in thousands)	FY2024	FY2025	Biennium FY24-FY25	FY2026	FY2027	Biennium FY26- FY27
Base Funding, Start of 2023 Legislative Session	\$789,611	\$789,611	\$1,579,222	\$789,611	\$789,611	\$1,579,222
New Funding In 2023 Legislation	\$159,285	\$133,621	\$292,906	\$84,132	\$84,143	\$168,275
Current Total Funding	\$948,896	\$923,232	\$1,872,128	\$873,743	\$873,754	\$1,747,497
Supplemental Budget Request	\$0	\$61,000	\$61,000	\$61,000	\$61,000	\$122,000
Proposed Total Funding	\$948,896	\$984,232	\$1,933,128	\$934,743	\$934,754	\$1,869,497



FY2024-FY2025 Biennial Funding: One-time versus Ongoing

Appropriations in Thousands of Dollars	Requested	Received	One-time	Ongoing
Minnesota State Stabilization	\$125,000	\$128,000	\$45,000	\$83,000
Student Support	\$125,000	\$83,316	\$2,000	\$81,316
Workforce & Economic Development	\$100,000	\$27,000	\$27,000	\$0
Other*	\$0	\$54,590	\$50,631	\$3,959
Total	\$350,000	\$292,906	\$124,631	\$168,275

*One-time campus support \$50,000, IRAP contributions \$1,733, Unemployment Insurance \$1,618, Child Development Associate Pathway \$475, menstrual products \$764