



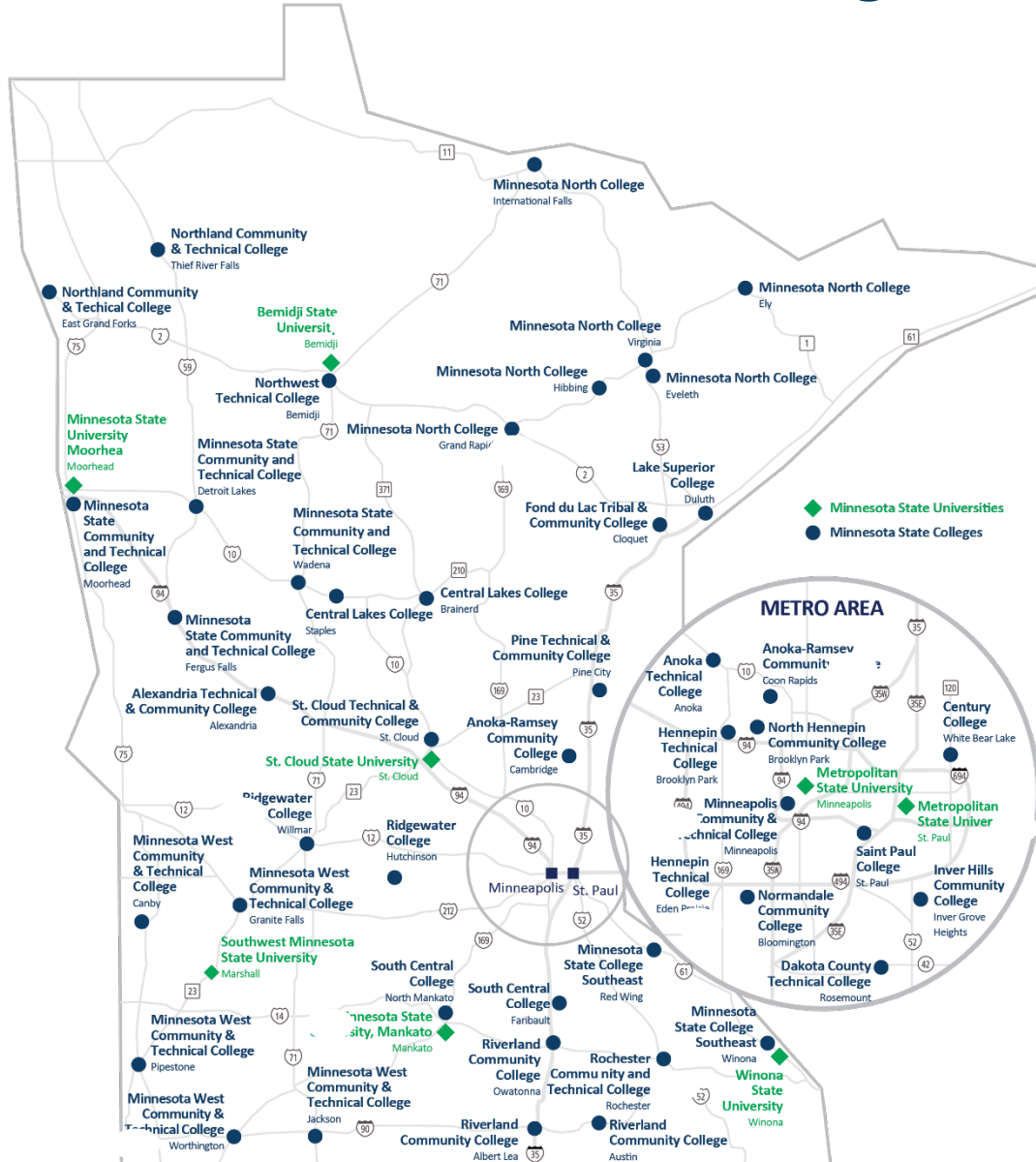
Finance Committee

November 16, 2022

State Biennial Budget Request for FY2024 and FY2025

Second Reading

Minnesota State Biennial Budget Listening Sessions



September 2022

By The Numbers:

- 12 listening sessions
- 550+ attendees
- 14 legislators
- Local print and tv coverage in many regions visited



Input and Feedback

- System office discussions
 - statewide college and university student associations
 - statewide bargaining units
 - Leadership Council
- College and university discussions
 - conversations with students, faculty, staff
 - listening sessions
 - shared governance meetings
 - student government meetings
 - surveys



Summary of Major Themes

- The request may not be large enough for inflation and competitive compensation.
- Base funding is crucial to maintain strength in classroom and non-classroom resources; “stabilization” may not fully capture the significance of this need.
- Financial support for students, including scholarships, wages, and emergency grants is necessary for students to be able to afford higher education.
- Student services are essential to student success and completion.



Minnesota State Proposed FY2024-FY2025 Biennial Budget Request



Student Support

Tuition Freeze, Affordability

\$77 million

- Consistent with past legislated limitations on undergraduate tuition, would be in-lieu of 3.5 percent increase each year
- Would save students \$25 million in FY2024 and \$50 million in FY2025
- Expanded offerings of free Open Educational Resources (OERs) and Z-degrees (complete degrees that use no-cost course resources) would save students additional out of pocket costs





Priorities of Minnesota State Guided Learning Pathways

Academic Affairs

1.

Curricular and Program Design and Delivery

- Well-articulated, coherent pathways aligned with careers
- Inclusive perspectives and approaches in content, pedagogy, and service delivery
- Maintaining academic momentum and credit intensity

Student Affairs and Enrollment Management

2.

Comprehensive Orientation and First-Year Experience

- Comprehensive orientation and connection with campus
- Robust career assessment and exploration

Educational Development & Technology

3.

Holistic Advising and Comprehensive Student Support

- Proactive advising that is sustained and focused on program completion and remaining on track
- Bridging to basic needs resources

Research

EQUITY 2030

Student Support

Student Support Services

\$26 million

- Funding direct to campuses, customized for local needs with local and systemwide data assessment to guide responsiveness and improvement
- Student support services such as
Advisors Transfer specialists Social workers
Community resource connectors Mental health support staff
Basic needs coordinators, etc.
- Basic needs access via support for 24/7 phone, text, and online hub connecting students with campus and community resources
- Mental health support including 24/7 access to
Peer mental health resource platform
Professional clinical support platform including telepsychiatry
Mental health education for students, faculty and staff,
including bystander intervention training



Student Support

Transfer Scholarships

\$12 million

- Scholarships for students who transfer from a Minnesota State College to a Minnesota State university completing one of two transfer options to further their education
- Transfer Pathways scholarships for 26 associate degree transfer pathway programs, which guarantee that associate degree credits will count towards a bachelor's degree
- Transfer Guarantee scholarships for students completing an A.A., A.S. or A.F.A. degree, guaranteeing admission to a Minnesota State University



Student Support Emergency Grants \$10 million

- Locally customized, promptly awarded funds to help with unforeseen emergencies
- Entire process available on mobile app that is administratively streamlined, easy to use, and focused on need and equity in decision making
- Provides crucial support where student vulnerabilities can delay or derail academic and career progress



Systemwide Funding Stabilization

Continuing Operations

\$125 million

- \$40 million in FY2024 and \$85 million in FY2025
- Increases direct funding to campuses by approximately \$38 million in FY2024 and \$81 million in FY2025 to provide exceptional education and ensure availability of programs and services that students need on a daily basis
- Increases funding for systemwide technology and system office operations by approximately \$2 million in FY2024 and \$4 million in FY2025 for inflationary funding to support enterprise-wide activities



Appropriation and Tuition Changes since 2014

Fiscal Year	Appropriation in \$millions	Appropriation Change from previous year	College Tuition Compared to previous year	University Tuition Compared to previous year	State Funding in-lieu of Tuition
2014	587.9	7.7%	Frozen	Frozen	Yes, fully funded
2015	622.1	5.8%	Frozen	Frozen	Yes, fully funded
2016	672.9	8.2%	Frozen	Increased overall average of 3.4%	Colleges fully funded
2017	673.5	0.1%	Reduced by 1%	Frozen	None
2018	731.0	8.5%	Increased overall average of 1%	Increased overall average of 3.9%	Colleges fully funded
2019	721.9	-1.2%	Frozen	Frozen	None
2020	758.7	5.1%	Increased by 3%	Increased by 3%	None
2021	765.7	0.9%	Increased by 3%*	Increased by 3%*	None
2022	792.0	3.4%	Increased overall average of 3.3%	Increased by 3.5%**	None
2023	789.5	-0.3%	Increased overall average of 3.4%	Increased by 3.5%**	None

*Fall 2020 tuition frozen by Board **Not including online reset at four universities

Workforce and Economic Development Equipment and Learning Environments \$49 million

- Strategically directed funding for program modernization
- Enhancing equipment, technologies or learning environments, such as: labs for applied research, data visualization spaces, simulation labs, and spaces for collaboration
- Funding matched one-to-one with non-state funds in-kind or cash



Workforce and Economic Development

Workforce Development Scholarships

\$25.5 million (current funding at \$4.5 million per year)

- Funding directly to colleges and universities to award to students, awards of \$2,500 that currently exists at colleges and \$3,500 at universities
- Expanding eligibility to state university students, increasing award maximum to \$3,500 in recognition of difference in tuition and fees
- Adding three new degree fields for scholarship eligibility: construction, education, and law enforcement and public safety
- Adding select credit and non-credit certificates and short-term stackable credentials
- Funding matched one-to-one with non-state funds in-kind or cash



Workforce and Economic Development Industry Sector Programming \$25.5 million

- Develop programs in high-demand areas experiencing extraordinary changes in occupational skills due to technological changes
- Create multiple-entry stackable credential career pathways to enable students to further their education, secure employment and advance
- Add Centers of Excellence for:
 - Public Safety (peace officers, first responders, firefighting)***
 - Construction/Building Trades***
- Funding matched one-to-one with non-state funds in-kind or cash



Workforce and Economic Development Goals

In order to position our colleges and universities to meet employers' needs for skilled workers in career and technical education and STEM disciplines our goals include:

- Five percent annual increase in awards in career and technical education
- Forty percent of CTE students completing specialized credentials
- Increased employer-sponsored educational opportunities for students: internships, applied research, earn & learn, etc.
- Increased retention and graduation in STEM fields (science, technology, engineering, and math)
- Twenty new or re-designed industry-recognized credentials
- Ten percent increase in non-credit workforce course enrollments



Minnesota State Proposed FY2024-FY2025 Biennial Budget Request



Recommended Committee Motion

The FY2024-FY2025 legislative request strengthens the state's commitment to inclusive excellence and ensuring our students receive an extraordinary, affordable, and accessible education. It further strengthens communities and the State or their continued economic and workforce viability. The Board of Trustees approves the FY2024-FY2025 biennial budget request in the amount of \$929,611,000 in FY2024 and \$999,611,000 in FY2025 for a total of \$1,929,222,000. This includes \$125 million for Student Support efforts, \$125 million for Minnesota State Stabilization, and \$100 million for Workforce & Economic Development efforts.

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, including setting tuition rates, at the conclusion of the legislative session.





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