

March 1, 2023

Senator Omar Fateh, Chair  
Higher Education Committee  
3219 Minnesota Senate Bldg.  
95 University Avenue W.  
St. Paul, MN 55155

Representative Gene Pelowski, Chair  
Higher Education Finance and Policy Committee  
10 State Office Building  
100 Martin Luther King Jr. Boulevard  
St. Paul, MN 55155

**Distributed via email**

Dear Chair Fateh and Chair Pelowski,

First, let me offer my sincere appreciation for your willingness in recent weeks to discuss challenging issues impacting the success of our students and the University overall. Your concern is evident. Following these conversations, we developed three initiatives to address supplemental funding needs for the University in the next biennium, and we will be submitting a revised biennial request proposal to the Board of Regents for review and action on March 10, 2023. The revised proposal, original request plus additions, is summarized as follows (with descriptions attached):

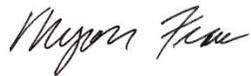
<b>Item</b>	<b>FY2024</b>	<b>FY2025</b>	<b>Biennial Total</b>
Core Mission	\$454.0	\$90.0	\$135.0
Minnesota Resident Scholarship	\$30.0	\$30.0	\$60.0
Systemwide Safety & Security	\$5.0	\$5.0	\$10.0
American Indian Scholars Program	\$4.5	\$4.5	\$9.0
Enrollment-Driven Tuition Shortfall	\$24.0	\$24.0	\$48.0
Resident Undergraduate Tuition Freeze	\$13.5	\$13.5	\$40.5
<b>Preliminary - Total University Request</b>	<b>\$122.0</b>	<b>\$180.5</b>	<b>\$302.5</b>

You will recall our original request (the three items above the gray bar in the table above) totaled \$205 million. The three supplemental items following our recent conversations would add an additional \$97.5 million to the request, resulting in a revised biennial total of \$302.5 million.

The University’s priority remains supporting our Core Mission, providing for the new Minnesota Resident Scholarship program, and Systemwide Safety and Security. The Scholarship Program is targeted to Minnesota residents for undergraduate students and is a key component in supporting the University’s efforts to hold tuition rates down and recruit Minnesota students to our campuses. As we discussed, however, recent enrollment forecasts have indicated an even more serious enrollment challenge than previously predicted, so funding the supplemental items for the American Indian Scholars Program, the Enrollment-Driven Tuition Shortfall, and the Resident Undergraduate Tuition Freeze would further support our efforts.

Respectfully, we ask that you accept this revised biennial request from the University of Minnesota, contingent on Board of Regents approval. We remain committed to serving the needs of the state of Minnesota and we appreciate your support of this updated request.

Sincerely,



Myron Frans  
Senior Vice President for Finance and Operations

cc. Governor Tim Walz  
Lt. Governor Peggy Flanagan  
Sydney Spreck, Policy Advisor, Office of Governor Walz and Lt. Governor Flanagan  
Senator John Marty, Chair, Senate Finance Committee  
Representative Liz Olson, Chair, House Ways and Means Committee  
Senator Kari Dziedzic, Majority Leader  
Representative Melissa Hortman, Speaker of the House  
Sean Rahn, Executive Director, Majority Caucus  
Carly Melin, Chief of Staff, DFL  
Jim Schowalter, Commissioner, MN Management and Budget  
Dennis Olson, Commissioner, MN Office of Higher Education  
President Joan T.A Gabel  
Bill Haldeman, Chief Strategy Officer, Office of the President  
Kate Stuckert, Director of Operations, Office of the President  
Matt Kramer, Vice President for University Relations