



Minnesota State Overview & Budget

House Higher Education Finance and Policy

March 11, 2025

Overview of today's discussion

• Trustee George Soule, Chair, Board of Trustees	Overview
• Kim Lynch, Associate Vice Chancellor for Educational Development and Technologies	Student Support
• Paul Shepherd, Associate Vice Chancellor of Student Affairs and Enrollment Management	Student Support
• Jesse Mason, Associate Vice Chancellor of Academic Affairs	Workforce Development
• Phil Arellano, Associate Director for Workforce & Economic Development	Workforce Development
• Bill Maki, Vice Chancellor of Finance and Facilities	Budget and Operations
• Steve Ernest, System Director of Financial Planning and Analysis	Budget and Operations

Governance

- 15-member Board of Trustees
- Appointed by Governor and confirmed by Senate
- 8 Trustees from Congressional districts:
 - 4 at-large (6-year terms)
 - 3 student Trustees (2-year terms)



Minnesota State Trustees:

Bottom Row: Roger Moe, Javier Morillo, Christopher Richter, Kathy Sheran, Cheryl Tefer

Middle Row: Idman Ibrahim, Jerry Janezich, Jacqueline Johnson, Jana Johnson

Top Row: George Soule, Dawn Erlandson, Jay Cowles, Jim Grabowska, Tim Huebsch

We are Minnesota State



- » 270,000 Students annually
 - 207,000 in credit classes
 - 69% in greater Minnesota
 - 63,400 students of color and Indigenous students
 - 53,300 low-income, Pell-eligible students
 - 38,500 first generation students
 - 6,500 veterans & service members
 - 58,530 are 25 and older
- » 33 Colleges and Universities with
- » 54 Campuses
 - 7 universities
 - 26 colleges
- » 47 Communities across the State
 - From International Falls to Worthington

We educate the entire talent pipeline

- 34,000 awards conferred annually
- 4,000+ academic programs, from certificate to applied doctorate
- 9,600 customized/specialty/occupational and professional classes
- Across 54 campuses, operate 2,100 classrooms and nearly 1,900 labs
- Maintain 843 academic buildings

We educate...

- 9 out of 10 in public safety
- 9 out of 10 in mechanics
- 9 out of 10 in manufacturing
- 8 out of 10 in trades
- 6 out of 10 in nursing
- 51% in information technology
- 51% in agriculture
- 46% in business
- 42% in education



Rider: Z-Degree Textbook Program/Open Educational Resources

(Line 140 of Chapter 41 spreadsheet)

- » FY2024: \$1.050 million
- » FY2025: \$1.050 million
- » FY2026: \$50,000
- » FY2027: \$50,000

Chapter 41, Article 1, Sec. 3, Board of Trustees of the Minnesota State Colleges and Universities. Subd. 3. Operations and Maintenance (i)

\$1,050,000 in fiscal year 2024 and \$1,050,000 in fiscal year 2025 are to reduce students' out-of-pocket costs by expanding free offerings in course materials and resources, including through open educational resources, open textbooks, and implementation of Z-Degrees under Minnesota Statutes, section 136F.305. The base for this appropriation in fiscal year 2026 and later is \$50,000.

Course Resource Affordability

Success to Date from One-Time Funding

- Aggregate cost savings: **\$12,664,200**
- **10 colleges** offer zero-textbook cost paths to degree (“z-degree”)
- **12 colleges and universities** on track to implement or currently exploring possible z-degree pathways
- **4 additional colleges** substantively offer zero-textbook courses and implemented a course search feature identifying them
- **6,200** course sections transitioned to zero-cost materials
- **126,642** students enrolled in courses with zero-cost materials
- Faculty members from every college and university in the system use free, open educational resources in their courses

Demographic Information – Students taking zero-textbook cost courses

- Students who are pell-eligible took z-degree courses at a higher percentage (31%) than overall student population taking at least one course (28%)
- Students who are first-generation in college (26%) took z-degree courses at a slightly higher percentage than overall student populations taking at least one course (25%)
- Students of color who took at least one z-degree course is equal to those who are not students of color (both 25%)

Course Resource Affordability

What would we do with \$2 million base funding?

- Expand the number of and support for campuses exploring, implementing, and sustaining z-degrees
- Continue developing zero-textbook cost transfer pathways for systemwide impact
- Provide instructional design and technology support for developing the highest quality teaching and learning resources – free to students
- Provide additional access to paid library resources that are free to students

Rider: Student Support

(Line 143 of Chapter 41 spreadsheet)

- » FY2024: \$3.158 million
- » FY2025: \$3.158 million
- » FY2026: \$3.158 million
- » FY2027: \$3.158 million

Chapter 41, Article 1, Sec. 3, Board of Trustees of the Minnesota State Colleges and Universities. Subd. 3. Operations and Maintenance (j)

\$3,158,000 in fiscal year 2024 and \$3,158,000 in fiscal year 2025 are to expand student support services. This appropriation provides funding to campuses to address basic needs insecurity, mental health, and other high-need student support services by increasing the amount of available resources to students. In addition, this funding provides systemwide resources and coordination, including electronic connections for peer support and professional clinical support for mental health. These systemwide resources must be available online 24 hours a day, seven days a week.

Basic Needs, Mental Health, & Other High Need Student Supports

- Campus leaders report increases in the number of students seeking support resources. Additional staffing is needed to support students. (\$32.5 million)
- Minnesota State, through funding in the last biennium, has established unique system-wide student support resources.
 - Centralized Basic Needs Resource Hub
 - 2,347 students served since launch in August 2022
 - 97% of students reported a positive experience
 - Mantra Health Supplemental Mental Health Platform
 - Launched at all 33 colleges and universities in September 2024
 - Over 1,300 students are receiving support from Mantra. Our goal is to more than double that number during the spring 2025 semester.
 - Emergency Grant Program (\$5.5 million)
 - 3,627 students have received a grant since launch in March 2024
 - Approximately \$2,500,000 has been allocated to students across the system
- Basic needs insecurity and lack of access to mental health care hinders student persistence.

Rider: Sexual Assault Reporting Policies

(Line 138 of Chapter 41 spreadsheet)

- » FY2024: \$40,000
- » FY2025: \$40,000
- » FY2026: \$40,000
- » FY2027: \$40,000

Chapter 41, Article 1, Sec. 3, Board of Trustees of the Minnesota State Colleges and Universities. Subd. 3. Operations and Maintenance (g)

\$40,000 in fiscal year 2024 and \$40,000 in fiscal year 2025 to implement the sexual assault policies required under Minnesota Statutes, section 135A.15.

Workforce Development



Rider: Develop & Expand Industry Sector Programming

(Line 146 of Chapter 41 spreadsheet)

- » FY2024: \$6.75 million
- » FY2025: \$6.75 million
- » FY2026: \$0
- » FY2027: \$0

Chapter 41, Article 1, Sec. 3, Board of Trustees of the Minnesota State Colleges and Universities. Subd. 3. Operations and Maintenance (I)

\$6,750,000 in fiscal year 2024 and \$6,750,000 in fiscal year 2025 are to develop and expand industry sector programming to build capacity and support new and redesigned curricular options with an emphasis on offering students work-based learning experiences. The amount appropriated in fiscal year 2025 must be matched with cash or in-kind contributions from nonstate sources. Up to 1.5 percent of the appropriation may be used for administration of the program. This is a onetime appropriation. The base for this appropriation in fiscal year 2026 and later is \$0.

Develop and Expand Industry Sector Programming

The Legislature provided \$13.5 million in one-time funding for program development

- » \$6.75 million each year of the biennium to develop and expand industry sector programming to build capacity and support new and redesigned curricular options with an emphasis on offering students work-based learning experiences
- » For FY2024, each institution received \$201,500. It was determined that sending an equal amount to each college and university provides the largest immediate statewide impact of the funding
- » For FY2025, each institution received \$120,000, and an RFP process was issued to award the remaining \$2.79 million
- » The \$6.75 million appropriated in FY2025 matched with cash or in-kind contributions from non-state sources

Examples of Industry Sector and Work based Learning Funds

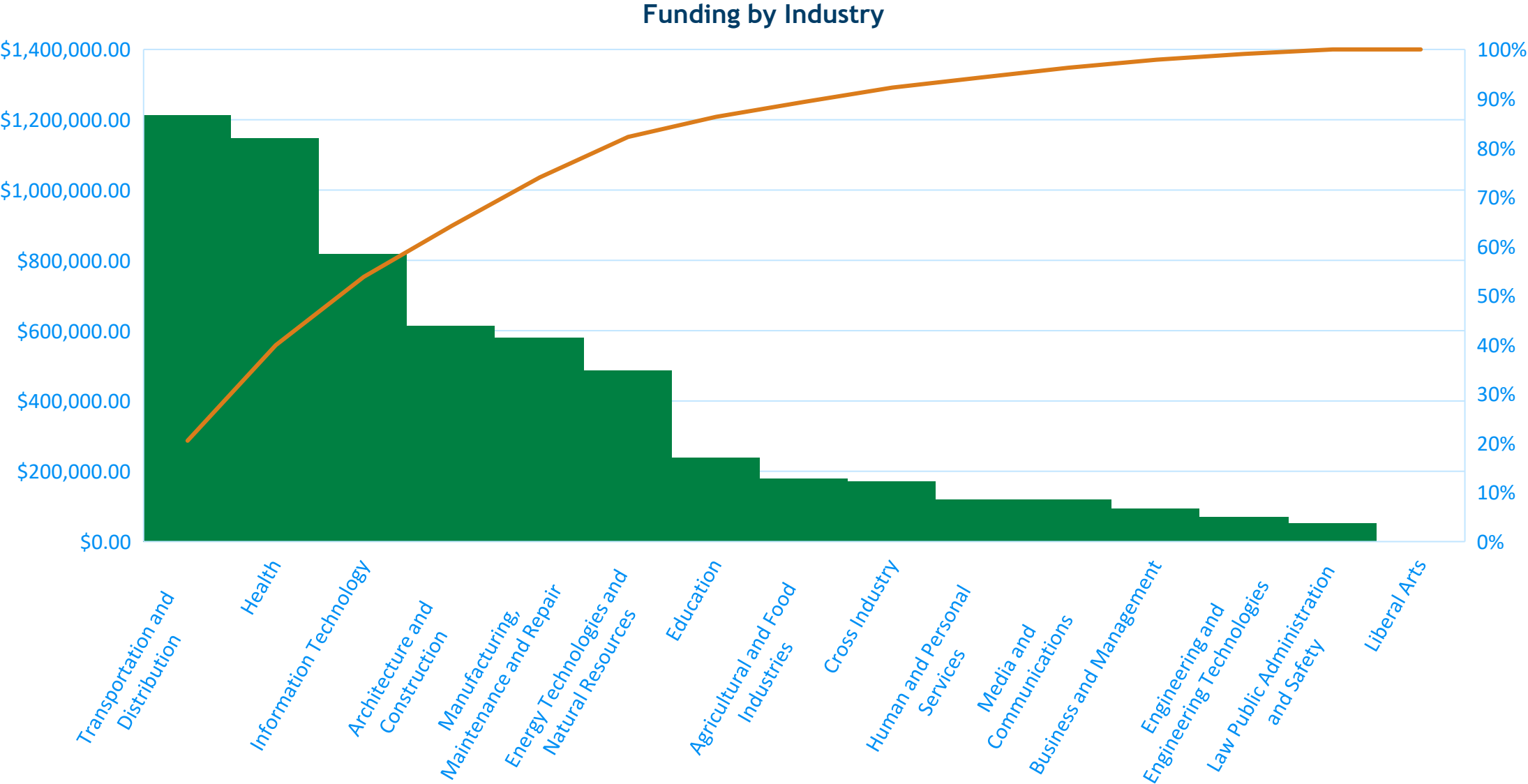
Expanding Dental Assistant and Dental Hygiene Programs

- Four colleges are adding or expanding dental assistant and dental hygiene programs to serve communities across Minnesota, including Rochester Community and Technical College, Central Lakes College, Century College and Anoka-Ramsey College Cambridge Campus.

Metropolitan State University: Apprentice-type Program

- Developed an apprentice-type program that combines work-based learning across five program areas and have 20 students earning credits and income.

Industry Sector and Work based Learning Funds



Rider: Transparent Pathway - Child Development Associate

(Line 151 of Chapter 41 spreadsheet)

- » FY2024: \$475,000
- » FY2025: \$0
- » FY2026: \$0
- » FY2027: \$0

Chapter 41, Article 1, Sec. 3, Board of Trustees of the Minnesota State Colleges and Universities. Subd. 3. Operations and Maintenance (p)

\$475,000 in fiscal year 2024 is to develop a transparent pathway for current child development associate credential holders to be awarded academic credit that aligns with related academic certificate, diploma, and degree programs. Money must be used to develop curriculum at eight colleges and universities, develop training and advising tools for those institutions, and form a statewide advisory committee to advise the project development.

Transparent Pathway - Child Development Associate Outcomes

- » Created CDA Pathways to College Work Team/Leadership Advisory & Developed CPL Pathways subgroup
 - Surveyed all ECED programs in the Minnesota system on current CDA options for credit in their programs
 - Reviewed CDA content alignment to ACCESS (Associate Degree Early Childhood Teacher Educators) courses and Transfer Pathway standards required by Professional Educations Licensing and Standards Board.
 - Researched other states, including Illinois and Delaware, to learn about the processes they use for applying the CDA for college credits.
- » Agreed upon two courses for six credits for CDA Holders: 1) Child Safety, Health, and Nutrition, and 2) Child Growth and Development.

Transparent Pathway - Child Development Associate Outcomes

» Continuing Progress of the CPL Pathways Subgroup

- Identifying opportunities for curriculum alignment
- Developing CPL pathways to Child Development – Identifying opportunities to also develop pathways to Early Education Licensure
- Exploring a range of CPL assessment options for creating a common rubric to be used systemwide
- Developed transfer pathways from CDA to Child Development AS and developing pathway to Child Development or Early Education BS

» Student Support and Outreach – Activities and Accomplishments

- Created survey for CDA holders to gain their perspectives on opportunities and obstacles to attending college, with distribution of survey through DHS CDA list. Intent is to follow up with individual interviews and use results to improve pathway supports for CDA holders
- Examined potential obstacles and solutions in the admissions process, including guided self-placement
- Researched resources for potential fees for individualized CPL assessments
- Reviewed current Department of Education materials for early childhood educator workforce for inclusion of CDA to College Pathways at Minnesota State

Rider: Workforce Development Scholarships

(Line 136 of Chapter 41 spreadsheet)

- » FY2024: \$4.5 million
- » FY2025: \$4.5 million
- » FY2026: \$4.5 million
- » FY2027: \$4.5 million

Chapter 41, Article 1, Sec. 3, Board of Trustees of the Minnesota State Colleges and Universities. Subd. 3. Operations and Maintenance (e)

\$4,500,000 in fiscal year 2024 and \$4,500,000 in fiscal year 2025 are for workforce development scholarships under Minnesota Statutes, section 136F.38. The base for this appropriation is \$4,500,000 in fiscal year 2026 and each year thereafter.

Workforce Development Scholarships

A pathway to industry success:

- » 2,010 scholarship awarded in FY24
- » 1,962 went to two-year college students

Impact on in-demand industries:

- » Healthcare Services accounted for 42% of all awards
- » Transportation accounted for 13% and Advanced Manufacturing accounted for 12%
- » Other key industries include IT, Public Safety, and Education

Workforce Development Scholarships

Employment Outcomes

- » Of the graduates who received a scholarship in FY22 and FY23 1,838 recipients earned academic awards
- » 1,455 graduates (80%) were employed within 12 months of completing their program

Workforce Development Scholarships



Rider: Equipment and Learning Environment

(Line 145 of Chapter 41 spreadsheet)

- » FY2024: \$6.75 million
- » FY2025: \$6.75 million
- » FY2026: \$0
- » FY2027: \$0

Chapter 41, Article 1, Sec. 3, Board of Trustees of the Minnesota State Colleges and Universities. Subd. 3. Operations and Maintenance (k)

\$6,750,000 in fiscal year 2024 and \$6,750,000 in fiscal year 2025 are for upgrades to college and university equipment and learning environments. The amount appropriated in fiscal year 2025 must be matched with cash or in-kind contributions from nonstate sources. Up to 1.5 percent of the appropriation may be used for administration of the program. This is a onetime appropriation. The base for this appropriation in fiscal year 2026 and later is \$0.

Equipment and Learning Environments

The Legislature provided \$13.5 million in one-time funding for equipment and learning environments

- » \$6.75 million each year of the biennium to assist with upgrades to college and university equipment and learning environments
- » For FY2024 & FY2025 distributed to all institutions based on equipment expenditures with a minimum of \$100,000 and maximum of \$400,000
- » The \$6.75 million appropriated in FY2025 matched with cash or in-kind contributions from non-state sources

The Power of Partnership – Transforming Student Learning

1. Minneapolis College – IT Education Expansion

- **Private Match:** \$100,000 in-kind contribution from Access Point
- **Impact:** Supports IT apprenticeships, tuition assistance, and mentorship for PSEO students

2. Lake Superior College – Manufacturing & Healthcare Training

- **Private Match:** Industry donors contributed funding for welding and manufacturing equipment, ensuring alignment with real-world workforce needs

3. Minnesota State Community and Technical College (M State) – Healthcare & STEM Investments

- **Private Match:**
 - Sanford Health: \$75,000 in cash (with a further commitment of \$675,000)
 - Veden Trust: \$200,000 in cash for the Echocardiography Technician program
- **Impact:** Expansion of healthcare training facilities and simulation labs to meet Minnesota's growing demand for healthcare professionals.

The Power of Partnership – Transforming Student Learning

4. St. Cloud State University – Campus Modernization

- **Private Match:** Lindskog Endowed Fund: \$135,524 for the Herberger Business School
Forum Communications: \$50,000 for Mass Communications programs
- **Impact:** Modernization of 58 classrooms and improved academic environments

5. Minnesota West Community and Technical College – Technical & Trades Training

- **Private Match: Federal EDA Grant** - \$1,597,060 for the Mechatronics program
- **Impact:** Ensures students are trained on industry-grade manufacturing and automation tools

6. Minnesota State University, Mankato – Advancing Business & Engineering Education

- **Private Match:**
 - Charles Schwab: \$74,240 cash contribution for Financial Services education
 - Caresoft Global: \$325,760 in-kind contribution for Iceberg software (used in Automotive & Manufacturing Engineering)
- **Impact:** Enhances real-world financial training and integrates cutting-edge engineering technology

Operations and Maintenance (O&M)

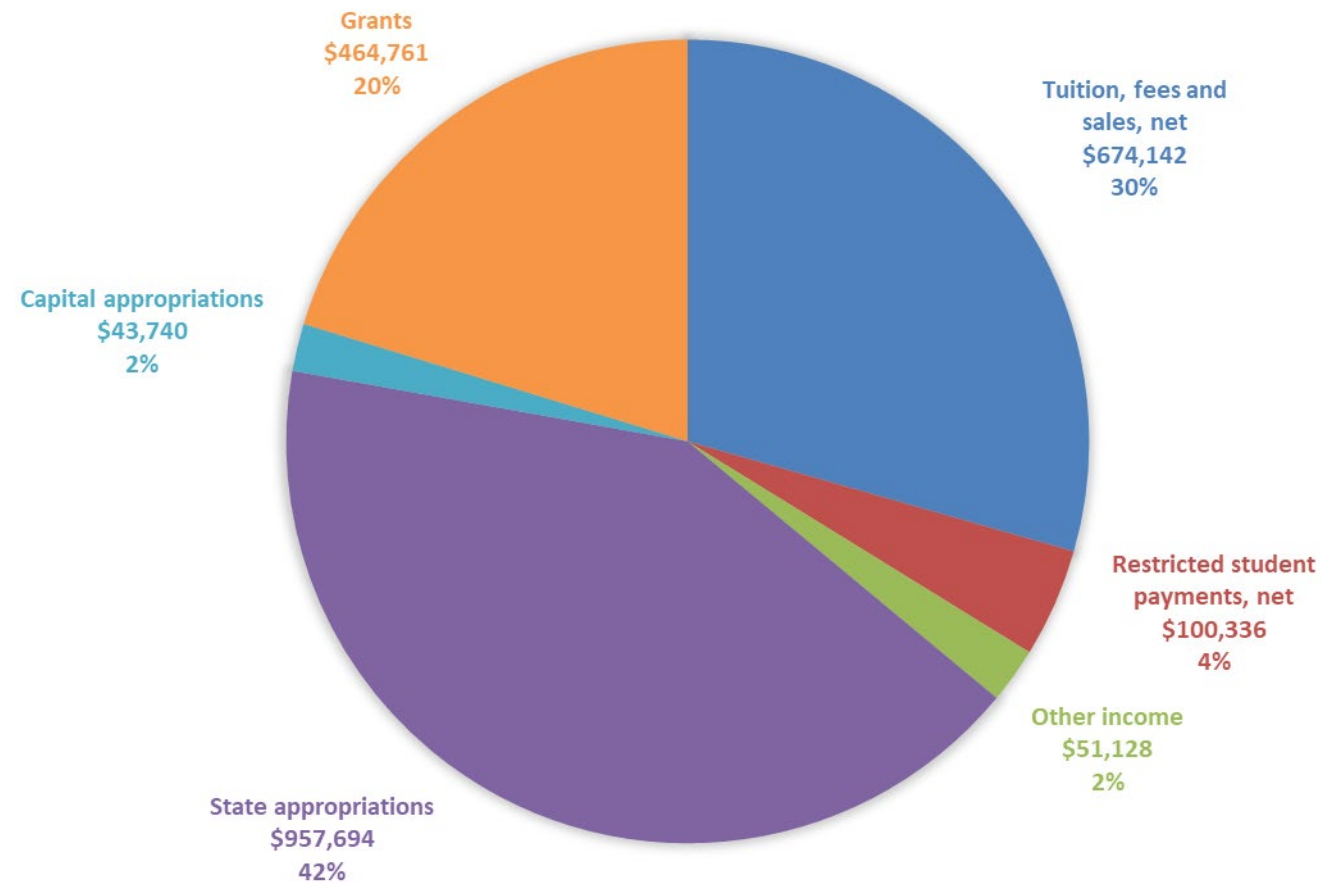
Appropriation	FY2024	FY2025	FY2026
Operations & Maintenance	\$909,380,000	\$882,716,000	\$833,227,000
Central Offices and Shared Services	\$35,401,000	\$36,401,000	\$36,401,000
Remaining Riders			
Minnesota State Stabilization	\$61,500,000	\$60,500,000	\$38,000,000
Tuition Freeze Relief	\$25,000,000	\$50,000,000	\$37,500,000
Campus One-Time Support	\$50,000,000	\$0	\$0
Supplemental Aid to Non-Metro Campuses	\$5,700,000	\$5,700,000	\$5,700,000
ISRS-Next Generation & Systemwide Technology	\$9,500,000	\$9,500,000	\$9,500,000
Unemployment Insurance Reimbursement	\$809,000	\$809,000	\$809,000
Individual Retirement Account Plan Contribution Increase			
Menstrual Products	\$482,000	\$282,000	\$282,000

Summary of FY2024 System Audited Financial Statement Results (Without the effects of GASB Statements 68 and 75)

- » Overall Financial position improved compared to prior year as reflected in increase in system CFI from 2.3 to 3.6
- » Systemwide operating margin was \$30.1M
- » Unrestricted system net position increased by \$53.4M to \$811.3M
- » Two most significant factors for these results:
 - FY2024 FYE enrollment increased by 2.5 percent. The first annual enrollment increase since FY2011
 - State appropriation increased by \$167.1M or 21.1 percent

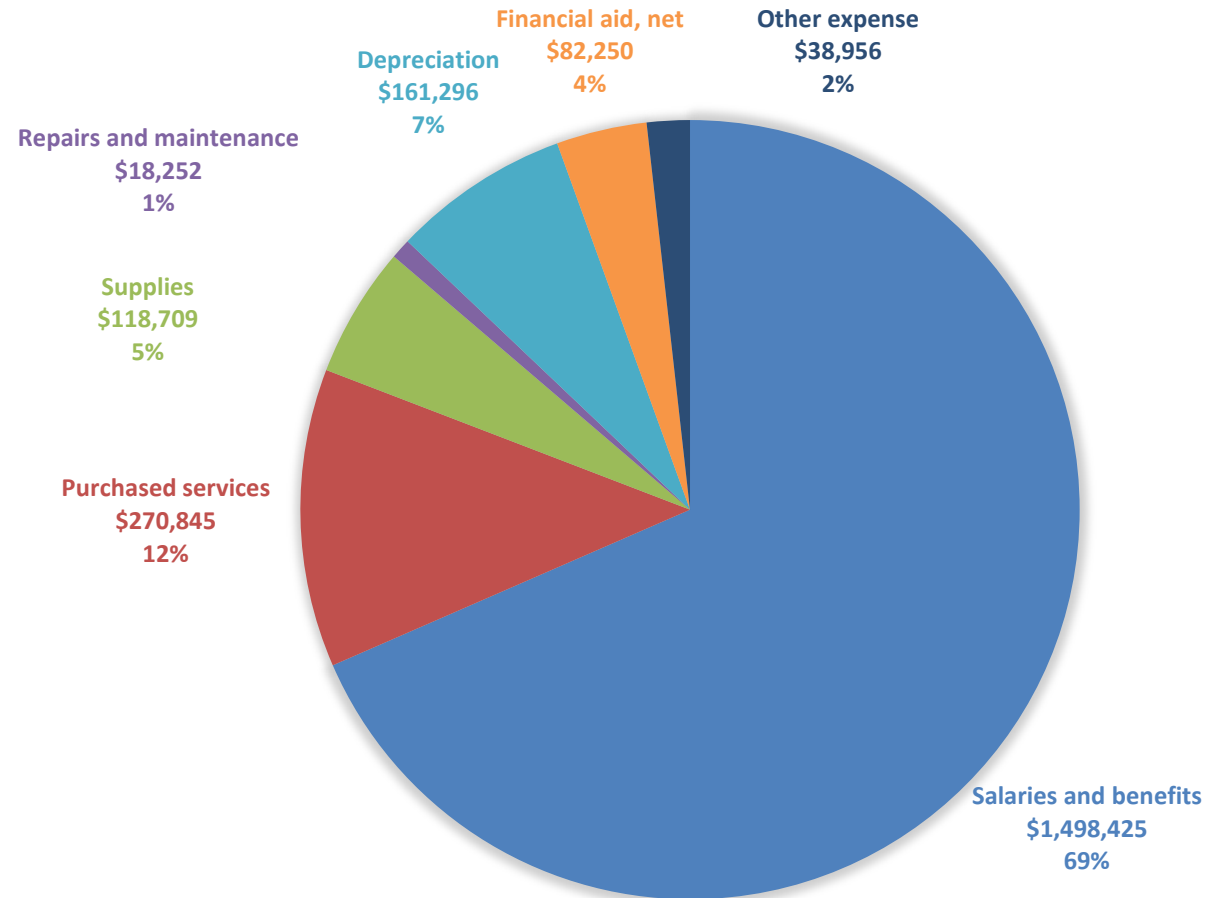
FISCAL YEAR 2024 REVENUE BY SOURCE

(IN THOUSANDS)



FISCAL YEAR 2024 OPERATING EXPENSES BY NATURAL CLASSIFICATION

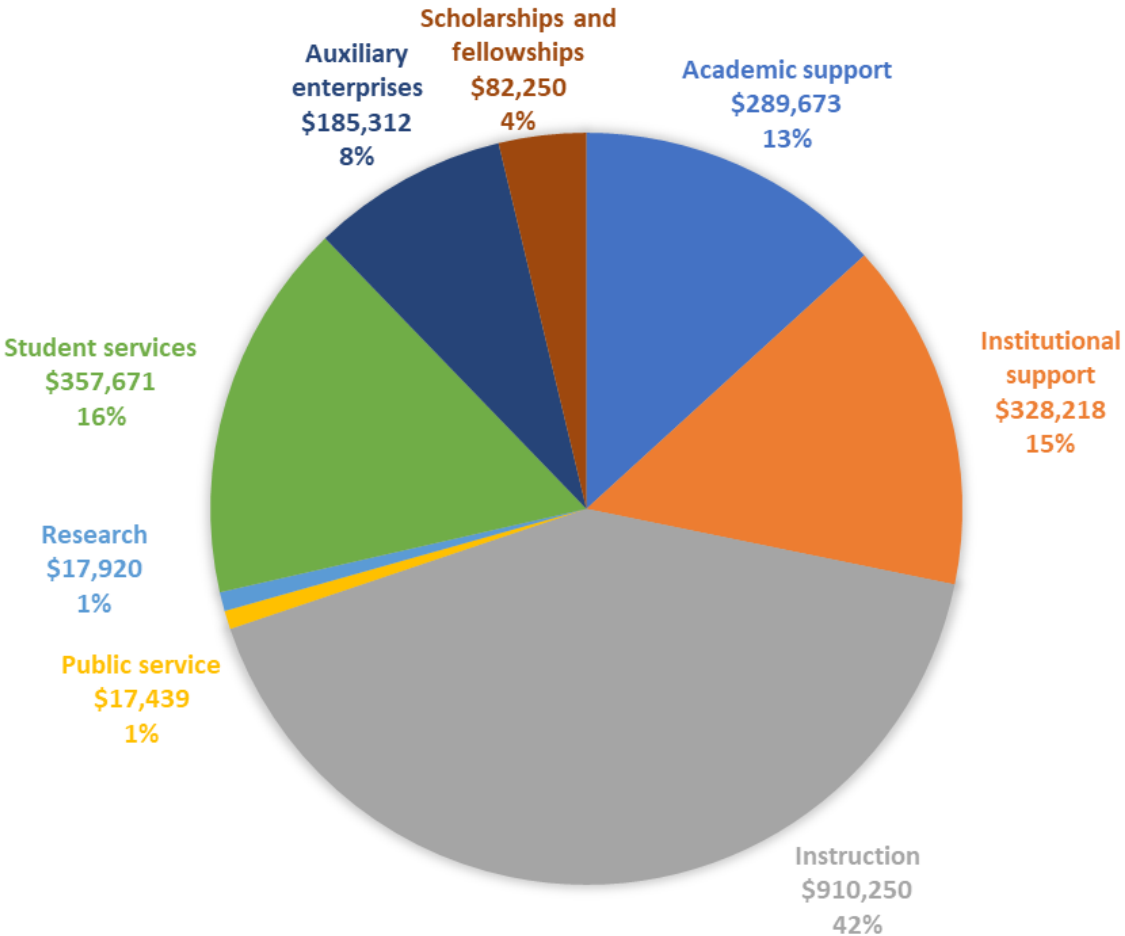
(In Thousands)



Excludes the impact of GASB Statements No. 68 and No. 75

FISCAL YEAR 2024 OPERATING EXPENSES BY FUNCTIONAL CLASSIFICATION

(In Thousands)



Excludes the impact of GASB Statements No. 68 and No. 75

Minnesota State Stabilization

The Legislature provided \$122 million for stabilization

- » \$61.5 million in FY2024 and \$60.5 million in FY2025 for the campuses, with \$38 million ongoing in the tails
- » Allocated to colleges and universities using the system's allocation model for general operating funds
- » The model uses a set of measurement procedures to direct funding based on factors at each institution such as: student FYE count, instructional and academic support costs, student services, facilities, and student success.

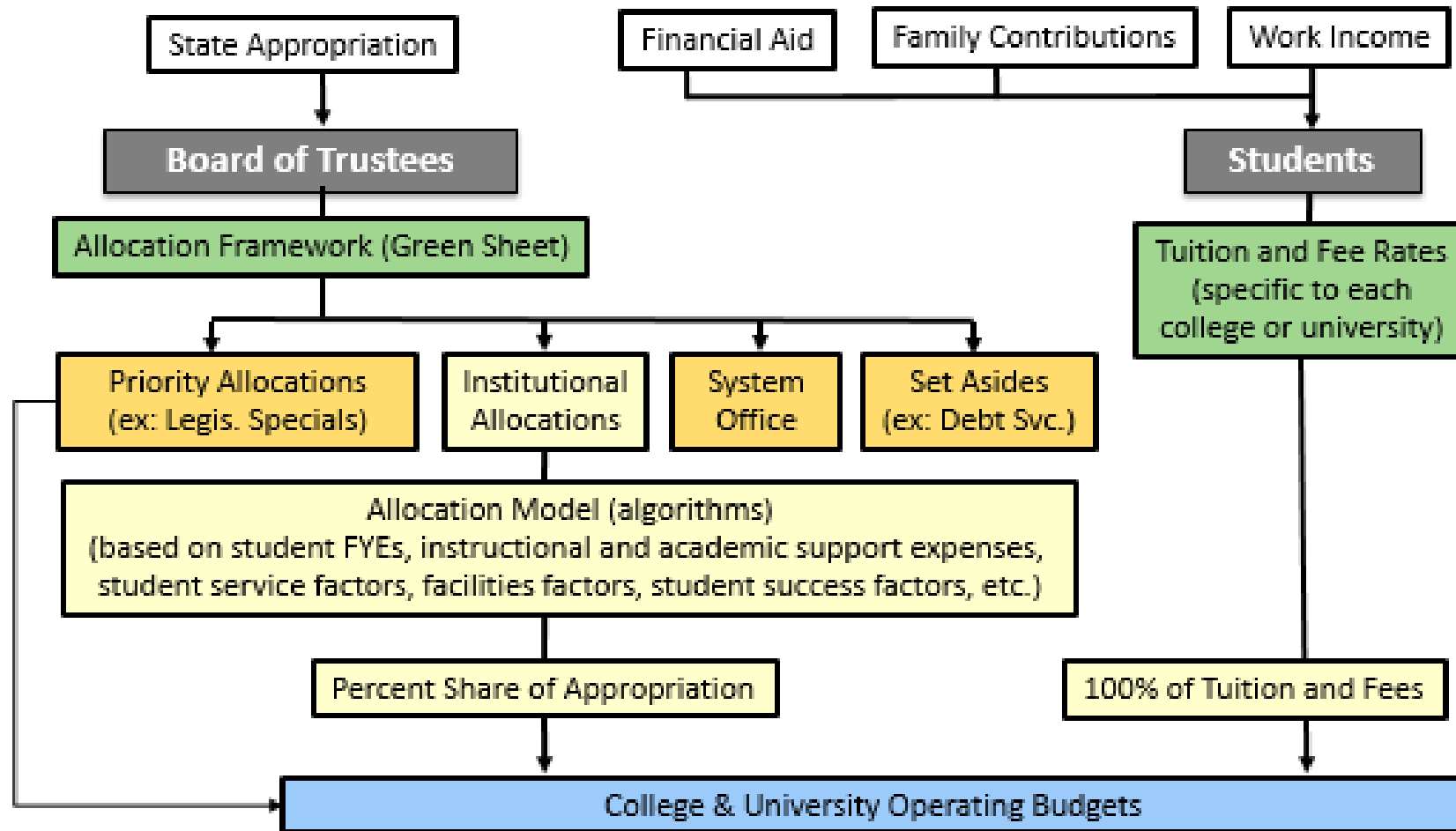
FY2025 College and University Allocations – Part 1

Inst ID	Institution Name	FY2023 FYE	Instruction & Academic Support	Student Services & Institutional Support	Facilities	Student Success	Research & Public Service	TOTAL ALLOCATION FRAMEWORK	% Share of Allocation Framework
0203	Alexandria TCC	1,811	7,777,108	5,801,351	1,342,283	69,000	138	14,989,879	1.92%
0152	Anoka Ramsey CC - Anoka TC	5,698	21,089,250	13,805,398	2,298,899	559,700	23,578	37,776,824	4.83%
0070	Bemidji SU & Northwest TC-Bemidji	3,739	16,516,055	11,704,411	2,160,999	16,000	34,254	30,431,720	3.89%
0301	Central Lakes College	2,511	9,453,339	7,491,009	1,788,921	0	24,887	18,758,156	2.40%
0304	Century College	5,114	19,322,350	12,093,513	1,930,096	0	33,815	33,379,773	4.27%
0211	Dakota County TC - Inver Hills CC	4,050	16,873,142	10,905,052	2,407,811	0	400,034	30,586,039	3.91%
0163	Fond du Lac Tribal & CC	812	2,380,179	4,650,078	527,740	148,000	0	7,705,997	0.98%
0204	Hennepin Technical College	2,546	12,739,151	8,783,469	2,824,053	0	0	24,346,673	3.11%
0302	Lake Superior College	2,353	10,319,042	7,681,922	1,174,884	12,000	2,536	19,190,383	2.45%
0076	Metropolitan State University	4,839	22,162,773	14,033,024	828,757	0	177,128	37,201,683	4.75%
0305	Minneapolis College	3,876	14,936,182	10,288,566	2,628,226	152,000	40,766	28,045,740	3.58%
0411	Minnesota North College	2,448	10,122,173	8,248,877	2,958,623	395,600	301,191	22,026,465	2.81%
0213	Minnesota SC-Southeast	1,099	4,941,242	5,098,594	875,904	28,000	0	10,943,739	1.40%
0442	Minnesota State CTC	3,171	12,395,716	9,191,468	2,118,984	68,900	58,303	23,833,371	3.05%
0072	Minnesota SU Moorhead	4,228	18,373,148	11,233,799	2,385,129	0	212,790	32,204,866	4.12%
0071	Minnesota SU, Mankato	13,052	48,883,204	20,248,842	2,968,861	0	826,973	72,927,880	9.32%
0209	Minnesota West CTC	1,918	8,571,711	7,025,426	1,710,165	492,400	318,608	18,118,310	2.32%
0156	Normandale Community College	6,083	20,291,568	12,981,468	1,392,293	60,000	64,091	34,789,419	4.45%
0153	North Hennepin Community College	2,893	11,740,453	8,282,536	1,246,008	428,800	0	21,697,797	2.77%
0403	Northland CTC	1,450	7,287,124	5,932,954	1,497,952	14,300	38,413	14,770,742	1.89%
0205	Pine TCC	815	3,140,470	4,531,912	344,715	0	0	8,017,096	1.02%
0308	Ridgewater College	2,140	9,893,390	6,642,782	1,942,990	296,300	2,338	18,777,799	2.40%
0307	Riverland Community College	1,978	7,624,748	6,293,258	1,479,369	104,700	0	15,502,074	1.98%
0306	Rochester CTC	2,981	11,766,586	7,528,192	1,535,412	0	329,887	21,160,077	2.70%
0206	Saint Paul College	3,447	13,541,542	9,237,484	1,484,558	294,100	0	24,557,685	3.14%
0309	South Central College	1,835	9,358,164	6,649,296	1,256,524	0	14,600	17,278,584	2.21%
0075	Southwest Minnesota SU	3,240	10,890,676	12,514,414	1,932,818	0	93,335	25,431,244	3.25%
0073	St. Cloud SU	7,228	33,359,332	18,661,596	4,690,236	56,069	1,089,455	57,856,689	7.39%
0208	St. Cloud TCC	2,464	10,581,785	6,923,455	1,355,579	0	1,348	18,862,167	2.41%
0074	Winona SU	5,678	25,634,585	13,044,334	2,578,505	0	114,193	41,371,616	5.29%
TOTAL		105,497	431,966,179	287,508,480	55,667,295	3,195,869	4,202,662	782,540,486	100.00%

FY2025 College and University Allocations – Part 2

Inst ID	Institution Name	FY2024 Base Allocation	% Share of FY2024 Allocation	50% FY2024 Base % Share	50% Allocation Framework % Share	FY2025 Base Allocation	% Share of FY2025 Allocation	\$ Change Over FY2024	% Change Over FY2024
0203	Alexandria TCC	11,670,548	1.76%	5,826,487	6,350,636	12,177,123	1.84%	506,575	4.3%
0152	Anoka Ramsey CC - Anoka TC	31,695,735	4.77%	15,824,002	16,004,589	31,828,592	4.80%	132,857	0.4%
0070	Bemidji SU & Northwest TC-Bemidji	25,692,842	3.87%	12,827,076	12,892,750	25,719,827	3.88%	26,984	0.1%
0301	Central Lakes College	15,464,861	2.33%	7,720,786	7,947,110	15,667,896	2.36%	203,035	1.3%
0304	Century College	27,838,692	4.19%	13,898,385	14,141,728	28,040,113	4.23%	201,421	0.7%
0211	Dakota County TC - Inver Hills CC	25,719,066	3.87%	12,840,168	12,958,130	25,798,298	3.89%	79,232	0.3%
0163	Fond du Lac Tribal & CC	5,914,838	0.89%	2,952,966	3,264,735	6,217,700	0.94%	302,862	5.1%
0204	Hennepin Technical College	20,805,891	3.13%	10,387,280	10,314,750	20,702,030	3.12%	(103,861)	-0.5%
0302	Lake Superior College	16,461,506	2.48%	8,218,359	8,130,228	16,348,587	2.47%	(112,920)	-0.7%
0076	Metropolitan State University	31,798,383	4.79%	15,875,249	15,760,924	31,636,173	4.77%	(162,210)	-0.5%
0305	Minneapolis College	24,056,679	3.62%	12,010,226	11,881,902	23,892,129	3.60%	(164,550)	-0.7%
0411	Minnesota North College	19,498,377	2.94%	9,734,508	9,331,767	19,066,275	2.88%	(432,103)	-2.2%
0213	Minnesota SC-Southeast	8,880,822	1.34%	4,433,724	4,636,442	9,070,166	1.37%	189,344	2.1%
0442	Minnesota State CTC	20,541,041	3.09%	10,255,055	10,097,284	20,352,338	3.07%	(188,703)	-0.9%
0072	Minnesota SU Moorhead	28,660,689	4.32%	14,308,765	13,643,965	27,952,729	4.22%	(707,960)	-2.5%
0071	Minnesota SU, Mankato	61,087,430	9.20%	30,497,720	30,896,741	61,394,461	9.26%	307,031	0.5%
0209	Minnesota West CTC	14,031,062	2.11%	7,004,966	7,676,032	14,680,998	2.21%	649,936	4.6%
0156	Normandale Community College	28,322,494	4.27%	14,139,922	14,738,940	28,878,862	4.36%	556,368	2.0%
0153	North Hennepin Community College	18,971,159	2.86%	9,471,296	9,192,523	18,663,819	2.81%	(307,341)	-1.6%
0403	Northland CTC	12,837,664	1.93%	6,409,166	6,257,796	12,666,962	1.91%	(170,702)	-1.3%
0205	Pine TCC	6,105,072	0.92%	3,047,940	3,396,536	6,444,475	0.97%	339,403	5.6%
0308	Ridgewater College	15,850,409	2.39%	7,913,270	7,955,432	15,868,702	2.39%	18,293	0.1%
0307	Riverland Community College	12,626,853	1.90%	6,303,919	6,567,633	12,871,552	1.94%	244,700	1.9%
0306	Rochester CTC	18,321,096	2.76%	9,146,753	8,964,712	18,111,465	2.73%	(209,631)	-1.1%
0206	Saint Paul College	20,896,661	3.15%	10,432,597	10,404,148	20,836,744	3.14%	(59,917)	-0.3%
0309	South Central College	14,057,161	2.12%	7,017,996	7,320,272	14,338,268	2.16%	281,107	2.0%
0075	Southwest Minnesota SU	21,026,829	3.17%	10,497,582	10,774,241	21,271,823	3.21%	244,995	1.2%
0073	St. Cloud SU	52,924,878	7.97%	26,422,590	24,511,656	50,934,246	7.68%	(1,990,632)	-3.8%
0208	St. Cloud TCC	15,868,240	2.39%	7,922,172	7,991,176	15,913,348	2.40%	45,108	0.3%
0074	Winona SU	36,437,701	5.49%	18,191,415	17,527,564	35,718,980	5.39%	(718,722)	-2.0%
TOTAL		664,064,682	2.38%	331,532,341	331,532,341	663,064,682	100.00%	(1,000,000)	-0.2%

The Flow of Minnesota State Operating Funds



Rider: Tuition Freeze Relief

(Line 133 of Chapter 41 spreadsheet)

- » FY2024: \$25 million
- » FY2025: \$50 million
- » FY2026: \$37.5 million
- » FY2027: \$37.5 million

Chapter 41, Article 1, Sec. 3, Board of Trustees of the Minnesota State Colleges and Universities. Subd. 3. Operations and Maintenance (a)

The Board of Trustees may not set the tuition rates in any undergraduate degree-granting program for the 2023-2024 and 2024-2025 academic years at a rate greater than the 2022-2023 academic year rates. The student tuition relief may not be offset by increases in mandatory fees, charges, or other assessments to the student. Colleges and universities are permitted to increase differential tuition charges in fiscal years 2024 and 2025 where costs for course or program delivery have increased due to extraordinary circumstances beyond the control of the college or university. Rates and rationale must be approved by the Board of Trustees. The base for this appropriation in fiscal year 2026 and later is \$37,500,000, which must be used for student tuition relief.

Tuition Freeze

The Legislature provided \$75 million to freeze tuition rates

- » \$25 million in FY2024 and \$50 million in FY2025, \$37.5 million is available in ongoing funding
- » In keeping with ongoing practice, funds are applied based on enrollment with a two-year lag
- » For FY2025, FY2023 numbers were used, and allocation amounts were provided to colleges and universities in May for finalizing FY2025 budgets
- » The decrease in ongoing funding equates to a 1.7% increase in tuition

Rider: Campus One-Time Support

(Line 134 of Chapter 41 spreadsheet)

- » FY2024: \$50 million
- » FY2025: \$0
- » FY2026: \$0
- » FY2027: \$0

Chapter 41, Article 1, Sec. 3, Board of Trustees of the Minnesota State Colleges and Universities. Subd. 3. Operations and Maintenance (b)

This appropriation includes \$50,000,000 in fiscal year 2024 for onetime campus support. The Board of Trustees must allocate this amount to all colleges and universities based upon each institution's estimated tuition revenue loss due to declines in enrollment from fiscal year 2019 to fiscal year 2023, except that no institution shall receive an allocation less than \$300,000. This is a onetime appropriation. The base for this appropriation in fiscal year 2026 and later is \$0.

Campus One-Time Operation Support

The Legislature provided \$50 million of one-time funding in FY2024 for campus support

- » Funding was allocated to all colleges and universities based on each institution's estimated tuition revenue loss due to declines in enrollment from FY2019 to FY2023
- » The bill included a floor of \$300,000, so no college or university received lower than that amount
- » College and university amounts were distributed in September 2023 after FY2023 enrollment numbers were finalized

Use of One-time Campus Support Funding

Categories of use and approximate distribution:

- » Approximately 60% of funding was used to support operations to allow additional time for long-term strategic and financial planning
- » One-time investments in targeted areas included
 - » Student success/strategic enrollment management
 - » Facilities needs
 - » Technology needs
 - » Academic program development

Rider: Supplemental Aid to Non-Metro Campuses

(Line 135 of Chapter 41 spreadsheet)

- » FY2024: \$5.7 million
- » FY2025: \$5.7 million
- » FY2026: \$5.7 million
- » FY2027: \$5.7 million

Chapter 41, Article 1, Sec. 3, Board of Trustees of the Minnesota State Colleges and Universities. Subd. 3. Operations and Maintenance (c)

\$5,700,000 in fiscal year 2024 and \$5,700,000 in fiscal year 2025 are to provide supplemental aid for operations and maintenance to the president of each two-year institution in the system with at least one campus that is not located in a metropolitan county, as defined in Minnesota Statutes, section 473.121, subdivision 4. The board shall transfer at least \$158,000 for each campus not located in a metropolitan county in each year to the president of each institution that includes such a campus.

Rider: ISRS - Next Generation & Systemwide Technology

(Line 139 of Chapter 41 spreadsheet)

- » FY2024: \$9.5 million
- » FY2025: \$9.5 million
- » FY2026: \$9.5 million
- » FY2027: \$9.5 million

Chapter 41, Article 1, Sec. 3, Board of Trustees of the Minnesota State Colleges and Universities. Subd. 3. Operations and Maintenance (h)

\$9,500,000 in fiscal year 2024 and \$9,500,000 in fiscal year 2025 are for enterprise-wide technology, including upgrading the Integrated Statewide Record System and maintaining enterprise-wide technology services.

Rider: Unemployment Insurance (UI) Reimbursement

(Line 149 of Chapter 41 spreadsheet)

- » FY2024: \$809,000
- » FY2025: \$809,000
- » FY2026: \$809,000
- » FY2027: \$809,000

268.193 POSTSECONDARY UNEMPLOYMENT INSURANCE AID.

Eligible postsecondary institutions are eligible to receive unemployment insurance aid under this section. For each fiscal year, an eligible entity's aid is the difference between fiscal year 2022's unemployment insurance costs and the current year's unemployment insurance costs, as reflected in the unemployment insurance employer accounts maintained by the state. If the total eligible unemployment insurance aid for a fiscal year is greater than the annual appropriation for that year, the Board of Trustees of the Minnesota State Colleges and Universities or the commissioner of the Office of Higher Education, as applicable, must proportionately reduce the aid payment to each eligible entity.

Rider: Individual Retirement Account Plan Contribution Increase

(Line 147 of Chapter 41 spreadsheet)

- » FY2024: \$861,000
- » FY2025: \$872,000
- » FY2026: \$883,000
- » FY2027: \$894,000

Chapter 41, Article 1, Sec. 3, Board of Trustees of the Minnesota State Colleges and Universities. Subd. 3. Operations and Maintenance (m)

\$861,000 in fiscal year 2024 and \$872,000 in fiscal year 2025 are for costs associated with the increased employer contribution rates for the higher education individual retirement account plan under Minnesota Statutes, section 354B.23, subdivision 3. The base for fiscal year 2026 is \$883,000 and for fiscal year 2027 is \$894,000.

Rider: Menstrual Products

(Line 148 of Chapter 41 spreadsheet)

- » FY2024: \$482,000
- » FY2025: \$282,000
- » FY2026: \$282,000
- » FY2027: \$282,000

135A.1365 ACCESS TO MENSTRUAL PRODUCTS.

The Board of Trustees of the Minnesota State Colleges and Universities shall, and the Board of Regents of the University of Minnesota is requested to, provide students with access to menstrual products at no charge. The products must be available in restrooms used by students. For purposes of this section, "menstrual products" means pads, tampons, or other similar products used in connection with the menstrual cycle.

Annual Operations and Maintenance (O&M)

2023 Chapter 41 rider letter) Operations & Maintenance Item	FY2024 base	FY2025 appropriation	FY2026 base	base reductions
a) Tuition Freeze Relief (new)		50,000	37,500	-12,500
b) Campus One-Time Support (\$50M 1st year)				
c) Supplemental Aid To Non-Metro Colleges	5,700	5,700	5,700	
d) Close Attainment Gap (language only)				
e) Workforce Development Scholarships	4,500	4,500	4,500	
f) Cook County Higher Education Board	300	300	300	
g) Sexual Assault Reporting Policies	40	40	40	
h) Systemwide Technology	8,000	9,500	9,500	
i) Z-Degrees / Open Education Resources	50	1,050	50	-1,000
j) Student Support (new)		3,158	3,158	
k) Equipment & Learning Environments		6,750		-6,750
l) Industry Sector Programming		6,750		-6,750
m) IRAP increases		872	883	11
n) Menstrual Products		282	282	
o) Unemployment Reimbursement		809	809	
p) Child Development Curricula (475 1st year)				
Base Operations and Maintenance	732,505	793,005	770,505	-22,500
q) Total Operations & Maintenance	751,095	882,716	833,227	-49,489

Questions

Thank you.



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