

METROPOLITAN STATE UNIVERSITY OF DENVER

Fiscal Year 2019-20 Proposed Budget Phase I

**Board of Trustees Finance Committee Meeting
May 9, 2019**



Summary of Budget Task Force Proposed Changes

- Increase tuition rates by 3% for both resident and non-resident undergraduate students (or \$7.80 per credit hour for a resident & \$24.30 per credit hour for non-resident)
- Assume a 3% decline in enrollment
- Close the tuition window by 50% for FY2019-20 and another 50% in FY2021-22
- Increase all the MSU Denver fees by 5% to cover the CPI
- Increase the Post Tenure Reviews (PTRs) from \$2,000 to \$3,000
- Cover Mandatory Costs of \$4 M in Phase I
- Cover \$1.6 M in Student Services and High Impact Practices from Tuition Window Closing.

FY2018-19 State Support

**\$120.7 M increase to Public Higher Education (HE); nearly 13% of 1 billion
HE Budget:**

Need based grants = \$23 M

Public Higher Education = \$97.7 M

\$97.7

**\$17 M allocated to Specialty Programs (CU & CSU)
\$80.7 M allocated to Public Higher Education Including
Local District and Area Technical**

**HB
1319**

**Almost \$77 million remaining to be allocated through
HB1319 or about 13% increase for each institution**

**MSU Denver's additional state support is \$7.18 million or
12.7% increase for total Base state support of nearly \$64 million**



Overall Picture of Add'l Base Resources and Core Needs

		Overall Change
Resources:		
	State Support	7,183,813
	Revenue from 3% Tuition Rate Increase	3,067,715
	Revenue from Est. 3% Enrollment Decline	(3,229,175)
	Add'l Resources without Tuition Window Closing	7,022,353
 <u>Allocations-Core Needs</u>		
	Total Mandatory Costs -Covered at Phase I	(4,037,644)
	Investment in Personnel-Defer to Phase II	(4,475,000)
		(8,512,644)
<hr/> Remaining; Defer to Phase II of the Budget Cycle		(1,490,291)
 Closing Tuition Window:		
	Est. Revenue from Closing the Tuition Window 50%	4,250,000
	High Impact Practices for Tuition Window spending	(1,588,728)
	Remaining; Defer to Phase II of the Budget Cycle	2,661,272

Mandatory Base New Allocations

FY19-20 total mandatory base increases of **\$4 million:**

- ✓ Estimated fringe benefit increases (est. health insurance) are approximately **\$454K**
- ✓ AHEC and library increases of approximately **\$880K**
- ✓ Faculty promotions, tenure, and post-tenure reviews is about **\$651K**
- ✓ Other ongoing contracts including IT **\$852K**
- ✓ State-wide minimum wage increase **\$450K**
- ✓ Classified personnel increase (3% COLA & merit including fringe increases) **\$329K**
- ✓ Athletic Scholarships **\$51K**
- ✓ Mid-year CUPA adjustments **\$372**

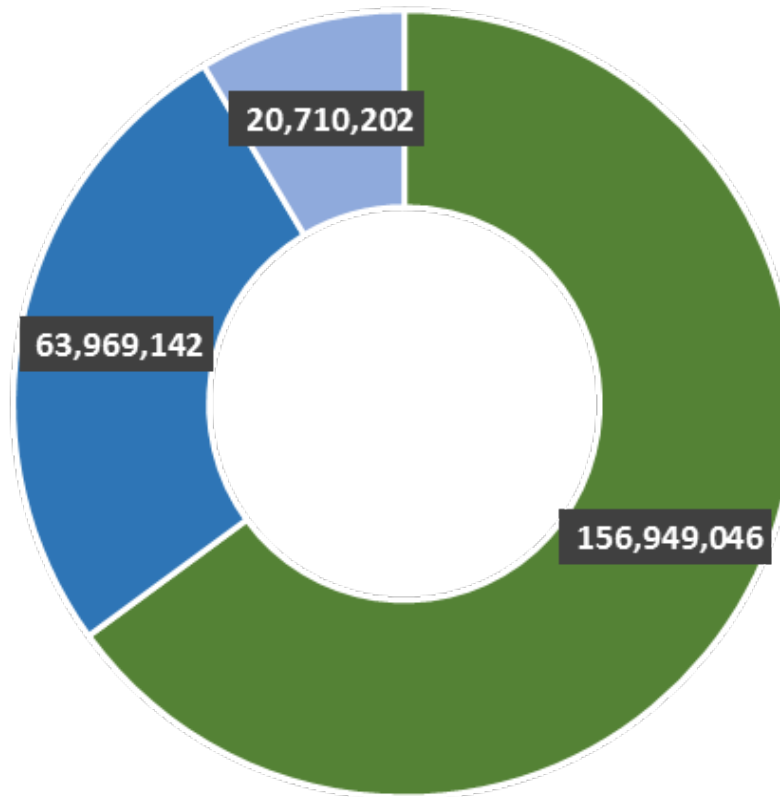
Proposed Spending from Tuition Window Closing

- Invest \$1,588,728 in high impact practices for student retention and graduation.
 - Includes investing in supplemental academic instruction, learning assistants, mentors, etc.
- Continue to identify best practices, academic needs, and other areas that impact student outcomes over the summer months to bring to the Board in September.

Proposed Total Operating Revenue FY2019-20

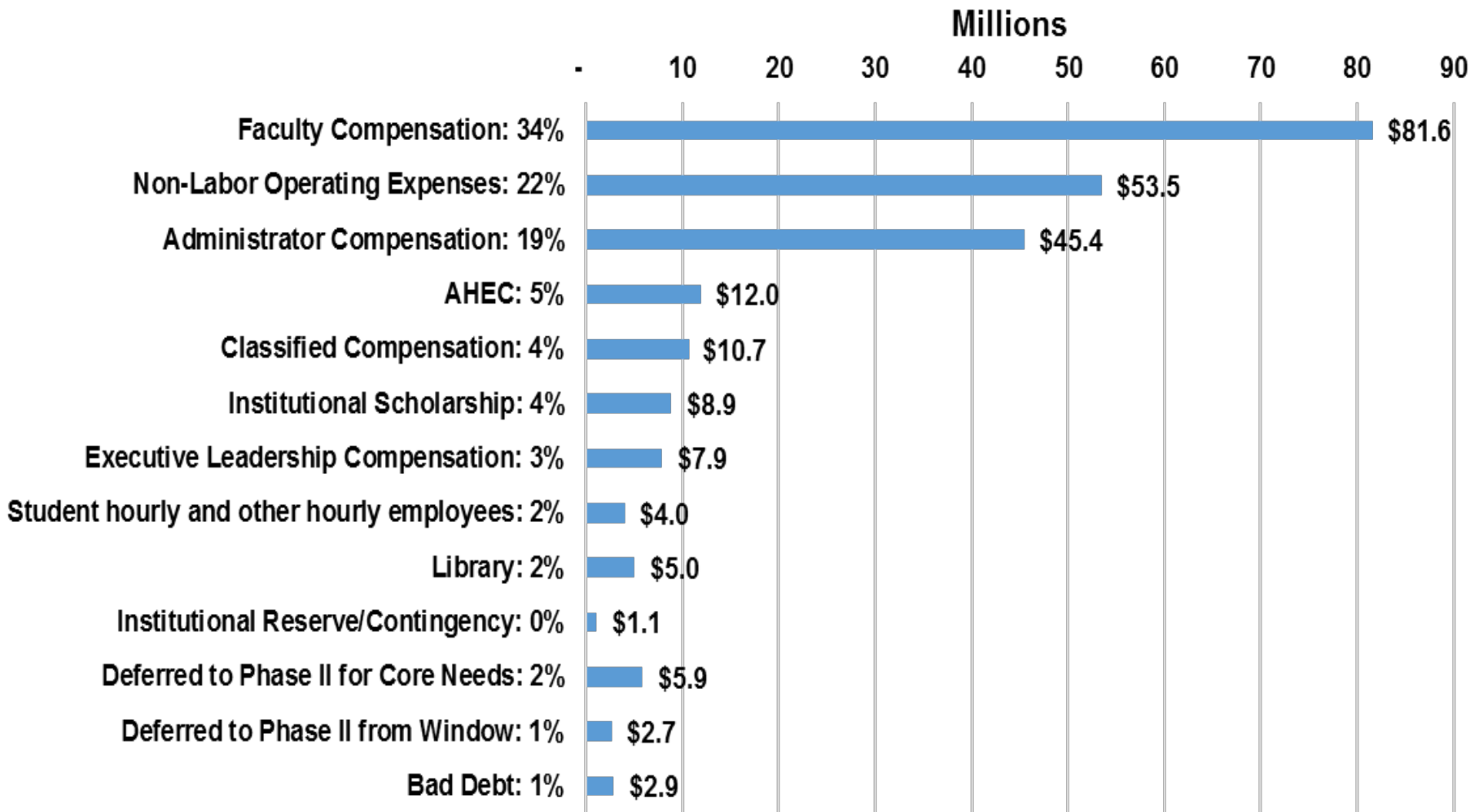
\$241,628,390 (includes E&G and Business Enterprises)

■ Tuition & Fees: 65% ■ State Support: 26% ■ Other Than Tuition Revenue: 9%



Proposed Total Operating Allocations FY2019-20

\$241,628,390 (Includes E&G and Business Enterprises)



METROPOLITAN STATE UNIVERSITY OF DENVER

Impact on Students



**METROPOLITAN
STATE UNIVERSITYSM
OF DENVER**

Impact on Resident Undergraduate

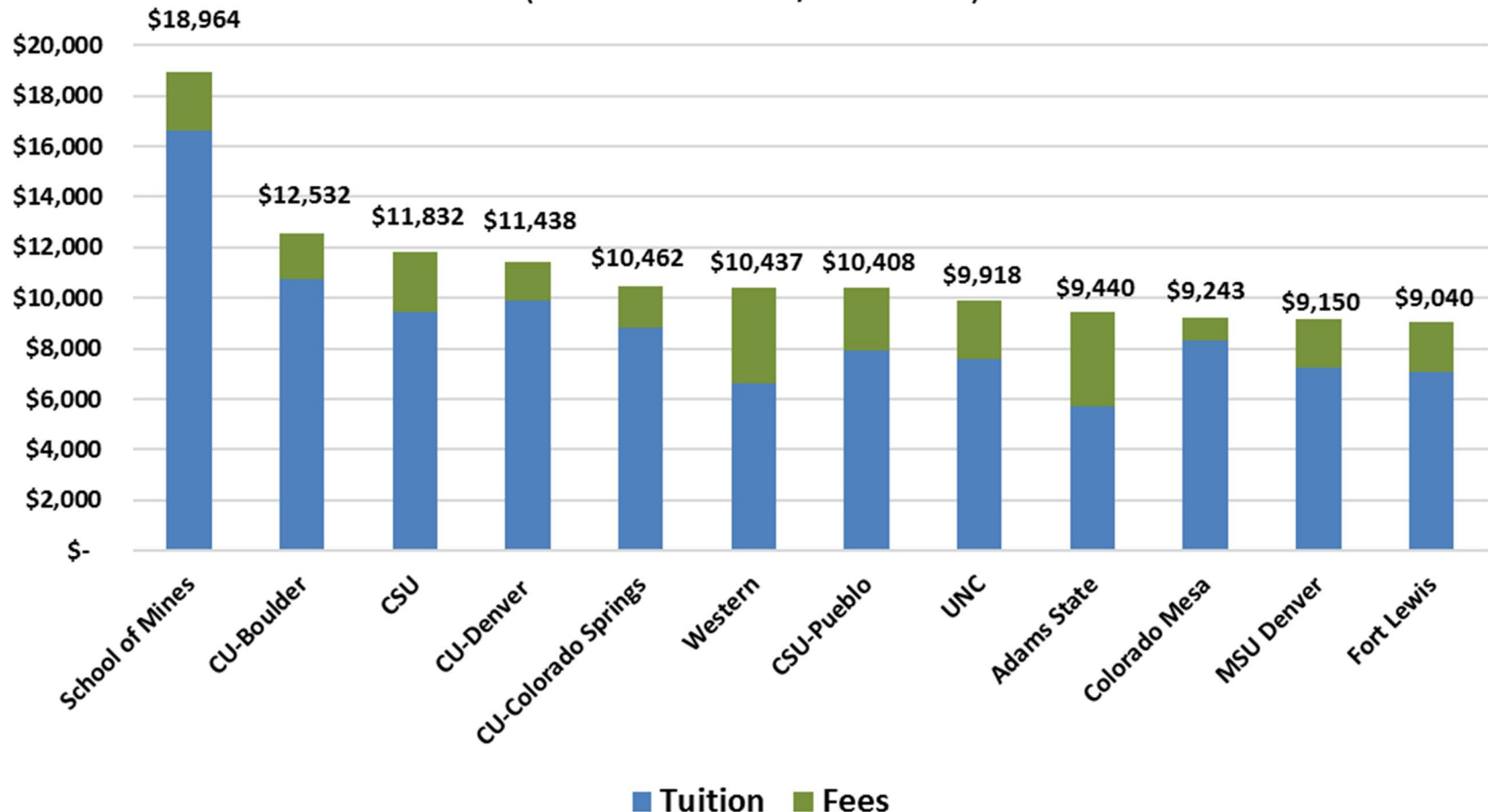
30 Credit Hours By Academic Year (AY)				By AY
	FY 2018-19	FY 2019-20	Increase	% Inc
Tuition increase of 3%	\$ 6,244.80	\$ 6,432.00	\$ 187.20	3.00%
Tuition Window Closing	\$ -	\$ 804.00	\$ 804.00	
Total Tuition	\$ 6,244.80	\$ 7,236.00	\$ 991.20	15.87%
MSU Denver Fees	\$ 1,024.00	\$ 1,463.20	\$ 439.20	42.89%
Pass Through Fees (AHEC & Phoenix Center)	\$ 397.10	\$ 450.34	\$ 53.24	13.41%
Total Tuition and Fees	\$ 7,665.90	\$ 9,149.54	\$ 1,483.64	19.35%

Impact on Non-Resident Undergraduate

		30 Credit Hours			By AY
		By Academic Year (AY)			
		FY 2018-19	FY 2019-20	Increase	% Inc
Tuition increase of 3%		\$ 19,425.60	\$ 20,008.80	\$ 583.20	3.00%
Tuition Window Closing		\$ -	\$ 2,501.40	\$ 2,501.40	
Total Tuition		\$ 19,425.60	\$ 22,510.20	\$ 3,084.60	15.88%
MSU Denver Fees		\$ 1,024.00	\$ 1,463.20	\$ 439.20	42.89%
Pass Through Fees (AHEC & Phoenix Center)		\$ 397.10	\$ 450.34	\$ 53.24	13.41%
Total Tuition and Fees		\$ 20,846.70	\$ 24,423.74	\$ 3,577.04	17.16%

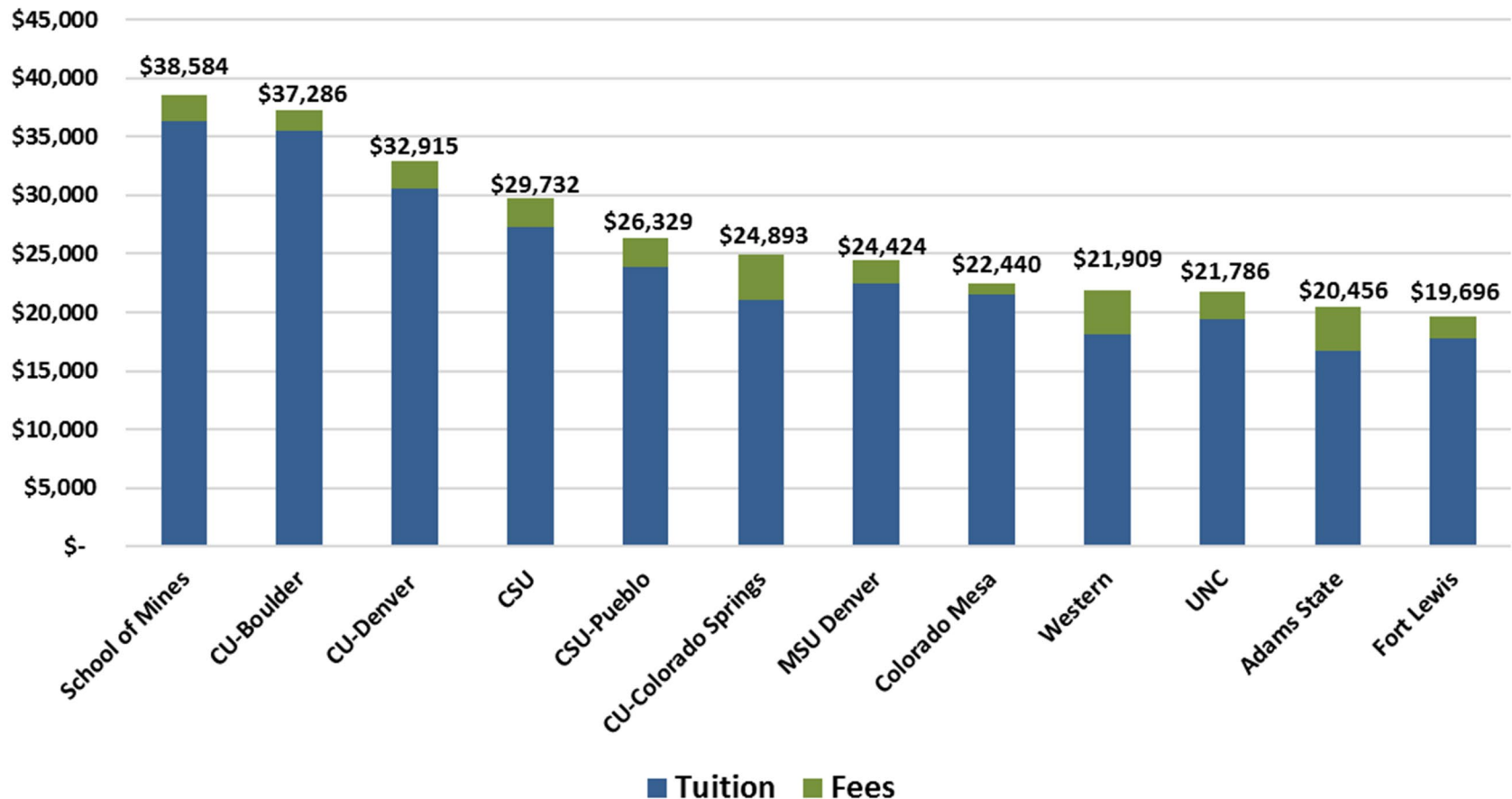
Colorado Comparison for Resident Undergraduate

**Closing the Window at 50% and 3% Tuition Increase
(15 Credit Hours/Semester)**



Colorado Comparison for Non-Resident Undergraduate

Closing the Window at 50% and 3% Tuition increase
(15 Credit Hours/Semester)



Resident Students Multi-Year Tuition & Fees

- FY 2019-20, 50% closing window impact with 3% tuition increase.
- FY 2020-21, **no changes** to the closing window and no tuition increase.
- FY 2021-22, 50% closing window impact with no tuition increase.
- FY 2022-23, **no changes** to the closing window and no tuition increase.
- Assumed increasing the fees by 5% for MSU Denver and 3.9% for AHEC Fees.

	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Tuition	3,122.40	3,618.00	3,618.00	4,020.00	4,020.00
MSU Denver Fees	512.00	731.60	761.80	794.10	828.50
Pass Through Fees	198.55	225.17	228.57	232.07	235.67
	3,832.95	4,574.77	4,608.37	5,046.17	5,084.17

METROPOLITAN STATE UNIVERSITY OF DENVER

Budget Questions/Discussion



**METROPOLITAN
STATE UNIVERSITYSM
OF DENVER**