

## Scenarios for Fy 2010 through Fy 2013

4/2/2009

The budget scenarios for Fy 2010 through Fy 2013 were developed with input from the assumptions group, which is a sub - group of the Budget Advisory Group. The sub - group reviewed information from MnSCU Office of the Chancellor, Minnesota Management and Budget and other regional information available. The scenarios were then shared with the Budget Advisory Group for additional input. The following information is the result of the process.

**General Notes:**

Projected budget balances are not cumulative

Reserve was not adjusted to the 5% level as required by MnSCU board policy

Enrollment fluctuation 100 estimated value: FY 2010 is \$565,000, FY 2011 is \$585,000, FY 2012 is \$608,000 and FY 2013 is \$632,000

MnSCU is approximately 3.9% of state budget, SCSU is approximately 10% of MnSCU budget

The information does not consider any inflationary pressures that may exist in Fy's 2012 and 2013

Scenarios reflect no changes in estimated other fees and income.

All proposals use a combination of federal and state dollars for Fy's 2010 and 2011, but revert to base in Fy's 2012 and 2013

The proposed University 7.5% budget planning reduction equals \$11,013,000

Fiscal Year 2010

Excluded technology, underserved and underrepresented student allocations

Estimated tuition based on enrollment of 14,550 FYE

Revenue Scenarios:

Scenario one based on SCSU share of the Governor's proposal

Scenario two based on SCSU share of the House Proposal

Scenario three based on SCSU share of the Senate Proposal

Tuition increase for each scenario based on 4%

Expense Scenarios:

Scenario one based on recognizing tails of current contracts only

Scenario two based on recognizing tails of current contracts only

Scenario three based on recognizing tails of current contracts only

Insurance benefit estimate increase 6%

All Other Expenses adjusted only for utility increases @5% per year and debt service requirements

Fiscal Year 2011

Excluded technology, underserved and underrepresented student allocations

Estimated tuition based on enrollment of 14,575 FYE

Revenue Scenarios:

Scenario one based on SCSU share of the Governor's proposal

Scenario two based on SCSU share of the House Proposal

Scenario three based on SCSU share of the Senate Proposal

Tuition increase for each scenario based on 4%

Expense Scenarios:

Scenario one based on recognizing tails of current contracts only

Scenario two based on recognizing tails of current contracts only

Scenario three based on recognizing tails of current contracts only

Insurance benefit estimate increase 6%

All Other Expenses adjusted only for utility increases @5% per year and debt service requirements

Fiscal Year 2012

Excluded technology, underserved and underrepresented student allocations

Estimated tuition based on enrollment of 14,600 FYE

Revenue Scenarios:

Scenario one based on SCSU share of the Governor's proposal

Scenario two based on SCSU share of the House Proposal

Scenario three based SCSU share of the Senate Proposal

Tuition increase for each scenario based on 4%

Expense Scenarios:

Scenario one based on 3% increase in compensation

Scenario two based on 5% increase in compensation

Scenario three based on 7% increase in compensation

Insurance benefit estimate increase 6%

All Other Expenses adjusted only for utility increases @5% per year and debt service requirements

Fiscal Year 2013

Excluded technology, underserved and underrepresented student allocations

Estimated tuition based on enrollment of 14,630 FYE

Revenue Scenarios:

Scenario one based on SCSU share of the Governor's proposal

Scenario two based on SCSU share of the House Proposal

Scenario three based SCSU share of the Senate Proposal

Tuition increase for each scenario based on 4%

Expense Scenarios:

Scenario one based on 3% increase in compensation

Scenario two based on 5% increase in compensation

Scenario three based on 7% increase in compensation

Insurance benefit estimate increase 6%

All Other Expenses adjusted only for utility increases @5% per year and debt service requirements

**Budget Scenarios DRAFT**

Based on Legislative information

4/2/2009

	Base FY 2009	3/19/2009 Current Balance	FY 2010 14,550 FYE Scenarios		
			One - Governor	Two - House	Three - Senate
<b>TOTAL</b>		<b>19,023,194</b>			
Carryforward less state grant carryforward					
Allocation	55,670,273	56,649,732			
Adjustments	2,632,981	2,330,678			
<b>Total Allocation</b>	<b>58,303,254</b>	<b>58,980,410</b>	<b>56,443,808</b>	<b>56,443,808</b>	<b>55,513,048</b>
<b>Tuition (FY 2009 14,430 FYE)</b>	<b>84,533,394</b>	<b>78,209,304</b>	<b>81,919,987</b>	<b>81,919,987</b>	<b>81,919,987</b>
<b>Enrollment Fluctuation (100 less than estimated)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Fees and Income Includes ~\$1.2 carryforward</b>	<b>4,793,748</b>	<b>6,557,255</b>	<b>6,500,000</b>	<b>6,500,000</b>	<b>6,500,000</b>
<b>Grand Total Revenue</b>	<b>147,630,396</b>	<b>162,770,163</b>	<b>144,863,795</b>	<b>144,863,795</b>	<b>143,933,035</b>
<b>Grand Total Expenditures</b>	<b>148,081,964</b>	<b>159,624,837</b>	<i>One - no salary increase</i> <b>151,309,338</b>	<i>Two - no salary increase</i> <b>151,309,338</b>	<i>Three - no salary increase</i> <b>151,309,338</b>
<b>Revenue/Expenditure Gap</b>	<b>(451,568)</b>	<b>3,145,326</b>	<b>(6,445,543)</b>	<b>(6,445,543)</b>	<b>(7,376,303)</b>

**Budget Scenarios DRAFT**

Based on Legislative information

4/2/2009

	<u>FY 2011 14,575 FYE</u>			<u>FY 2012 14,600 FYE</u>		
	<b>Scenarios</b>			<b>Scenarios</b>		
	<i>One - Governor</i>	<i>Two - House</i>	<i>Three - Senate</i>	<i>One - Governor</i>	<i>Two - House</i>	<i>Three - Senate</i>
Carryforward less state grant carryforward						
Allocation						
Adjustments						
<b>Total Allocation</b>	<b>56,443,808</b>	<b>56,443,808</b>	<b>57,713,026</b>	<b>51,705,393</b>	<b>55,682,277</b>	<b>53,482,299</b>
<b>Tuition (FY 2009 14,430 FYE)</b>	<b>85,347,948</b>	<b>85,347,948</b>	<b>85,347,948</b>	<b>88,918,924</b>	<b>88,918,924</b>	<b>88,918,924</b>
<b>Enrollment Fluctuation (100 less than estimated)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Fees and Income Includes ~\$1.2 carryforward</b>	<b>6,500,000</b>	<b>6,500,000</b>	<b>6,500,000</b>	<b>6,500,000</b>	<b>6,500,000</b>	<b>6,500,000</b>
<b>Grand Total Revenue</b>	<b>148,291,756</b>	<b>148,291,756</b>	<b>149,560,974</b>	<b>147,124,317</b>	<b>151,101,201</b>	<b>148,901,223</b>
	<i>One -</i>	<i>Two -</i>	<i>Three -</i>	<i>One -</i>	<i>Two -</i>	<i>Three -</i>
	<i>no salary increase</i>	<i>no salary increase</i>	<i>no salary increase</i>	<i>3%</i>	<i>5%</i>	<i>7%</i>
<b>Grand Total Expenditures</b>	<b>153,072,013</b>	<b>153,072,013</b>	<b>153,072,013</b>	<b>157,718,816</b>	<b>159,818,267</b>	<b>161,916,671</b>
<b>Revenue/Expenditure Gap</b>	<b>(4,780,257)</b>	<b>(4,780,257)</b>	<b>(3,511,039)</b>	<b>(10,594,499)</b>	<b>(8,717,066)</b>	<b>(13,015,448)</b>

**Budget Scenarios DRAFT**

Based on Legislative information

4/2/2009

**FY 2013 14,630 FYE**

**Scenarios**

*One - Governer*

*Two - House*

*Three - Senate*

Carryforward less state grant carryforward

Allocation

Adjustments

**Total Allocation**

**51,705,393**

**55,682,277**

**53,482,299**

**Tuition (FY 2009 14,430 FYE)**

**92,663,126**

**92,663,126**

**92,663,126**

**Enrollment Fluctuation (100 less than estimated)**

-

-

-

**Other Fees and Income Includes ~\$1.2 carryforward**

**6,500,000**

**6,500,000**

**6,500,000**

**Grand Total Revenue**

**150,868,519**

**154,845,403**

**152,645,425**

*One -*

*Two -*

*Three -*

*3%*

*5%*

*7%*

**Grand Total Expenditures**

**162,686,468**

**167,050,065**

**171,487,353**

**Revenue/Expenditure Gap**

**(11,817,949)**

**(12,204,662)**

**(18,841,928)**

	<u>FY 2009</u>		3/19/2009 Current Balance 19,023,194	<u>FY 2010</u>		
	Base	Adjustments		<u>Revenues Scenarios</u>		
				<i>One - Governor</i>	<i>Two - House</i>	<i>Three -Senate</i>
Carryforward less state grant carryforward						
<b>Revenues</b>						
Appropriation	55,401,210	-	55,401,210	56,268,672	56,268,672	55,337,912
Tuition buydown	739,830	-	739,830	-	-	-
Performance Initiatives	586,042	-	586,042	-	-	-
MSUAASF Awards of Excellence	99,872	-	99,872	-	-	-
PALS Allocation	93,291	-	93,291	99,236	99,236	99,236
Customized training	75,900	-	75,900	75,900	75,900	75,900
Information Technology Initiative	-	776,839	776,839	-	-	-
Under-represented/underserved students	-	530,270	530,270	-	-	-
Total Appropriation	56,996,145	1,307,109	58,303,254	56,443,808	56,443,808	55,513,048
One time funds-allotment adjustments	-	-	-	2,330,678	-	-
Total Appropriation			58,980,410	56,443,808	56,443,808	55,513,048
Tuition:						
Fy 2009 FYE = 14,430, actual 14,534	84,533,394		84,533,394	4.00%	81,919,987	4.00%
Other Fees and Revenues	3,500,000		3,500,000		6,500,000	4.00%
Balance forward per budget plan	1,293,748		1,293,748		-	
Total Tuition and Fees	89,327,142		89,327,142		88,419,987	
Total Appropriation, acutal revenue	146,323,287	1,307,109	147,630,396		144,863,795	143,933,035
Total carryforward appropriation, actual revenue			162,770,163		144,863,795	143,933,035
Accrued Revenue Net			6,236,318			
<b>Expenditures</b>						
<b>Carryforward :</b>						
Carryforward distributed to University areas			9,621,391			
Reserve @ 5% of expenditures			7,012,553			
Funds set aside for balancing budget			1,745,316			
Uncommitted balance			643,933			
Total carryforward			19,023,193			
				<b>Expenditures Scenarios</b>		
				<i>One - no salary increase</i>	<i>Two - no salary increase</i>	<i>Three - no salary increase</i>
Salaries and fringe benefits:						
Faculty	69,041,901		69,041,901	1.50%	71,787,678	1.50%
Summer Session	2,796,060		2,796,060		1,976,263	
Classified	20,093,159		20,093,159		20,017,570	
Fringe benefits	27,077,761		27,077,761	6.00%	30,133,654	6.00%
Set aside for FY 2010/2011 collective bargaining	-		-		-	
Sub-total	119,008,881		119,008,881		123,915,165	
All other expenditures	27,496,911	1,576,172	29,073,083	0.00%	27,394,173	0.00%
Sub-total	146,505,792	1,576,172	148,081,964		151,309,338	
Reserve increase to maintain 5%					-	
Total	146,505,792	1,576,172	148,081,964		151,309,338	151,309,338
Revenue/Expenditure Gap	(182,505)	(451,568)	3,145,326		(6,445,543)	(7,376,303)
Reserve calculated at 5% of expenditures	7,012,553		6,932,553		7,565,467	7,565,467



<b>FY 2013</b>						
<b>Revenues Scenarios</b>						
14,630 FYE						
	<i>One - Governor</i>		<i>Two - House</i>		<i>Three - Senate</i>	
Carryforward less state grant carryforward		-		-		-
<b>Revenues</b>						
Appropriation		51,530,257		55,507,141		53,307,163
Tuition buydown		-		-		-
Performance Initiatives		-		-		-
MSUAASF Awards of Excellence		-		-		-
PALS Allocation		99,236		99,236		99,236
Customized training		75,900		75,900		75,900
Information Technology Initiative		-		-		-
Under-represented/underserved students		-		-		-
Total Appropriation		51,705,393		55,682,277		53,482,299
One time funds-allotment adjustments		-		-		-
Total Appropriation		51,705,393		55,682,277		53,482,299
Tuition:						
Fy 2009 FYE = 14,430, actual 14,534	4.00%	92,663,126	4.00%	92,663,126	4.00%	92,663,126
Other Fees and Revenues		6,500,000		6,500,000		6,500,000
Balance forward per budget plan		-		-		-
Total Tuition and Fees		99,163,126		99,163,126		99,163,126
Total Appropriation, acutal revenue		150,868,519		154,845,403		152,645,425
Total carryforward appropriation, actual revenue		150,868,519		154,845,403		152,645,425
Accrued Revenue Net						
<b>Expenditures</b>						
<b>Carryforward :</b>						
Carryforward distributed to University areas						
Reserve @ 5% of expenditures						
Funds set aside for balancing budget						
Uncommitted balance						
Total carryforward						
<b>Expenditures Scenarios</b>						
		<i>One - 3%</i>		<i>Two - 5%</i>		<i>Three - 7%</i>
Salaries and fringe benefits:						
Faculty	3.00%	76,417,336	5.00%	79,374,325	7.00%	82,388,180
Summer Session		2,107,100		2,189,724		2,273,936
Classified		21,236,639		22,069,370		22,918,115
Fringe benefits	6.00%	34,080,339	6.00%	34,571,592	6.00%	35,062,068
Set aside for FY 2010/2011 collective bargaining		-		-		-
Sub-total		133,841,414		138,205,011		142,642,299
All other expenditures	0.00%	28,845,054	0.00%	28,845,054	0.00%	28,845,054
Sub-total		162,686,468		167,050,065		171,487,353
Reserve increase to maintain 5%		-		-		-
Total		162,686,468		167,050,065		171,487,353
Revenue/Expenditure Gap		(11,817,949)		(12,204,662)		(18,841,928)
Reserve calculated at 5% of expenditures		8,134,323		8,352,503		8,574,368