
Northern Michigan University
Board of Trustees Meeting

Focus Discussion I

August 7, 2003

Public Broadcasting

Fred Joyal

Provost and Vice President for Academic Affairs

***W*NMU**

Radio and Television

*A proposal to restructure and retain the
stations*

BAC Recommendation

- FY04 Reduce base budget \$238,500 (reduction of 4 positions through attrition and layoff; operating funds)
 - FY05 Reduce base budget \$880,667 (close both stations; layoff remaining employees)
-

To Date

- FY04 – base budget reduced \$238,500 (elimination of 4 positions, reduction in operating accounts)
 - WNMU-FM on-air fund raiser 6/16-6/25
 - Announced intent to raise \$150,000; \$100,000 more than similar effort June 02
 - Drive was successful! \$152,300
 - WNMU-TV major efforts in December and March
-

Supporters of NMU Public Broadcasting

- Citizens Ad Hoc Committee (appointed by President Bailey; met through June and July); submitted report 7/23/03
 - Major suggestions and ideas
 - ◆ Licenses and stations should be retained
 - ◆ Have value for educational mission
 - ◆ Have value in recruiting
 - ◆ Possibilities for additional fund raising/revenue generation exist but require more study
-

Citizens Ad Hoc Committee

- Major suggestions and ideas *(continued)*
 - ◆ Plan and restructure in 2 phases
 - Phase 1: reduce expenditures an additional \$550,000, NMU provide modest funding to operate through June 30, 2005
 - Phase 2: produce plan for greater fund raising, greater academic focus and plan for long run sustainable operation
-

Proposal

- NMU one-time funding of \$250,000; additional listener/viewer fund-raising
 - Retain CPB funding
 - Consultant to assist with comparative analysis, grant application, and fund raising
 - Plan for sustained operation: June 2004
-

Why

- WNMU TV and Radio are valuable institution resources
 - They support the core instructional mission and can do more in this area directly and indirectly
 - They build positive relationships in the region and support recruitment
-

2003 President's Council Retreat Results

Mike Roy
Interim President

Enrollment

Bill Bernard

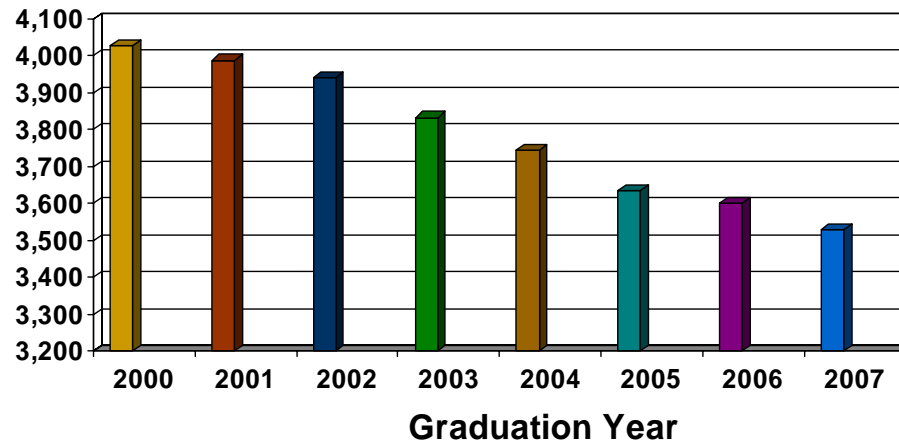
Associate Provost for Student Services and Enrollment

Enrollment Environment

Enrollment Environment

- New Freshmen - Michigan
 - Declining enrollments in our primary markets

1999 NCES Class Projections



- Increase in satellite college campuses and university centers
- State economy – transportation costs
- Michigan is a state where the college-age population is declining and our state has one of the largest numbers of colleges/universities in the country.

Enrollment Environment (continued)

- New Freshmen - Wisconsin
 - One of the strongest state school systems in the country, with the second lowest in-state tuition rate of schools in the Big Ten
 - More than 70% of WI seniors who attend college choose to stay in state
 - The lack of familiarity with NMU
-

Enrollment Environment *(continued)*

- New Freshmen - Illinois
 - Economic factors are driving many students to begin their studies at community colleges
 - Perceived distance from home
-

Recruitment Activities

Recruitment Activities – 2002-2003

- Level of recruitment activity was consistent or higher than last cycle
 - Campus Visit Program (+54)
 - ◆ 2002-2003: Number of visits: 1,470
 - ◆ 2001-2002: Number of visits: 1,416
 - High School Visits (+21)
 - ◆ 2002-2003: 1,672
 - ◆ 2001-2002: 1,651
 - College Fairs/Programs (+88)
 - ◆ 2002-2003: 356
 - ◆ 2001-2002: 268
-

Recruitment Activities – 2002-2003 *(continued)*

- Community College Visits (+13)
 - ◆ 2002-2003: 82
 - ◆ 2001-2002: 69
 - Open Houses (Connect to NMU)
 - ◆ 2003: 6 (changed format, moved to weekends, added President)
 - ◆ 2002: 20

(Both years had one “big” event on campus with faculty and SSE staff)
 - Follow-Up
 - ◆ More targeted, more frequent, multi-form (e-mail, phone, written)
 - Direct Mail Searches (targeting entering freshmen for F04 and F05)
 - ◆ Added e-mail and web response features
 - ◆ Expanded sophomore buy (yield has been higher)
-

Regional Trends

Regional Trends

- Greatest *increases* in freshman applications for F03:

	% Increase	Applications
Western Central U.P.	+4.0%	+44
Wisconsin North	+14.0%	+36
Wisconsin South	+30.2%	+26
Wisconsin West	+57.5%	+23
Wisconsin Other	+71.4%	+10
Illinois East	+37.7%	+58
Illinois West	+7.1%	+50
Minnesota Twin Cities	+63.0%	+29

Regional Trends (continued)

- Greatest *decreases* in freshman applications for F03:

	% Decrease	Applications
Eastern U.P. / Northern L.P.	-17.6%	-65
Central L.P.	-23.2%	-66
Southwestern L.P.	-14.1%	-37
East Central L.P.	-5.3%	-29

Regional Trends (continued)

- Enrollment *increases* in total new freshmen over the past three (3) years have been greatest in:

	Fall 1999	Fall 2002	% Increase	Enrollments
Western Central U.P.	800	825	+3.1%	+25
East Central L.P.	132	187	+41.7%	+55
Southeast L.P.	64	74	+13.5%	+10
Wisconsin	78	152	+94.9%	+74
Illinois	107	122	+14.0%	+15
Minnesota	24	30	+25.0%	+16
Southwestern L.P.	83	86	+3.6%	+3
Eastern U.P. / Northern L.P.	133	149	+12.0%	+16
TOTAL ALL	1,594	1,801	+13.0%	+207

Regional Trends *(continued)*

- Greatest *increases* in new transfer applications for F03:

	% Increase	Applications
West Central U.P.	+10.3%	+34
Southwest L.P.	+30.0%	+15
Southeast L.P.	+72.0%	+18
Wisconsin	+50.0%	+25
Illinois	18.0%	+11

Regional Trends (continued)

- Greatest *decreases* in new transfer applications for F03:

	% Decrease	Applications
Central L.P.	-19.4%	-13
East Central L.P.	-19.0%	-22

***F**all 2002 versus **F**all 2003*

Comparative Headcount and Credit Hours

(As of July 28, 2003)

	Headcounts			
	Fall 2002	Fall 2003	Change 2003-2002	% Change 2003-2002
Freshmen	2,559	2,584	25	1.0%
Sophomores	1,536	1,593	57	3.7%
Juniors	1,536	1,597	61	4.0%
Seniors	2,011	2,204	193	9.6%
Undergraduates	7,642	7,978	336	4.4%
Graduates	468	489	21	4.5%
Total Enrollment	8,110	8,467	357	4.4%

Enrollment History and Targets

Fall 1998 and 2001 through Fall 2005

(Current as of July 18, 2003)

	<i>Base Year Final 1998</i>	<i>EMN Targeted 2001</i>	<i>Final 2001</i>	<i>EMN Targeted 2002</i>	<i>Final 2002</i>	<i>EMN Target 2003</i>	<i>Projected* Final 2003</i>	<i>Target 2004</i>	<i>Target 2005</i>
Total New Freshmen	1,427	1,950	1,818	1,950	1,801	1,880	1,800	1,800	1,800
New Undergrad Transfer	476	520	494	510	474	510	510	510	510
New Post-baccalaureate	95	80	70	80	64	80	80	80	80
Undergraduate Readmit	388	400	362	370	398	400	410	410	410
Continuing Undergraduate	4,684	5,041	4,980	5,200	5,376	5,630	5,655	5,765	5,565
<i>Total Undergraduate</i>	7,070	7,991	7,724	8,110	8,113	8,500	8,455	8,565	8,365
<i>Undergraduate Targets**</i>				7,886	7,886	8,504	8,504	9,028	9,469
New Graduate	233	193	148	150	169	160	150	160	160
Graduate Readmit	0	22	70	70	78	70	70	70	70
Continuing Graduate	564	685	635	600	656	620	630	620	620
<i>Total Graduate</i>	797	900	853	820	903	850	850	850	850
<i>Graduate Targets**</i>				860	860	860	860	860	860
<i>Total Enrollment</i>	7,867	8,891	8,577	8,930	9,016	9,350	9,305	9,415	9,215
<i>Total Enrollment Targets**</i>			8,340	8,746	8,746	9,364	9,364	9,888	10,329

*Enrollment projection based on July 18th assessment of new and continuing enrollments.

**Enrollment targets needed to reach FYES goal of 8,952 in FY 06 as presented to the Board of Control at its December 2001 meeting.

Enrollment History and Targets

Fall 1998 and 2001 through Fall 2005

(Current as of July 18, 2003)

	<i>Base Year Final 1998</i>	<i>EMN Targeted 2001</i>	<i>Final 2001</i>	<i>EMN Targeted 2002</i>	<i>Final 2002</i>	<i>EMN Target 2003</i>	<i>Projected* Final 2003</i>	<i>Target 2004</i>	<i>Target 2005</i>
Total New Freshmen	1,427	1,950	1,818	1,950	1,801	1,880	1,800	1,800	1,800
New Undergrad Transfer	476	520	494	510	474	510	510	510	510
New Post-baccalaureate	95	80	70	80	64	80	80	80	80
Undergraduate Readmit	388	400	362	370	398	400	410	410	410
Continuing Undergraduate	4,684	5,041	4,980	5,200	5,376	5,630	5,655	5,765	5,565
<i>Total Undergraduate</i>	7,070	7,991	7,724	8,110	8,113	8,500	8,455	8,565	8,365
<i>Undergraduate Targets**</i>				7,886	7,886	8,504	8,504	9,028	9,469
New Graduate	233	193	148	150	169	160	150	160	160
Graduate Readmit	0	22	70	70	78	70	70	70	70
Continuing Graduate	564	685	635	600	656	620	630	620	620
<i>Total Graduate</i>	797	900	853	820	903	850	850	850	850
<i>Graduate Targets**</i>				860	860	860	860	860	860
<i>Total Enrollment</i>	7,867	8,891	8,577	8,930	9,016	9,350	9,305	9,415	9,215
<i>Total Enrollment Targets**</i>			8,340	8,746	8,746	9,364	9,364	9,888	10,329

*Enrollment projection based on July 18th assessment of new and continuing enrollments.

**Enrollment targets needed to reach FYES goal of 8,952 in FY 06 as presented to the Board of Control at its December 2001 meeting.

Enrollment History and Targets

Fall 1998 and 2001 through Fall 2005

(Current as of July 18, 2003)

	<i>Base Year Final 1998</i>	<i>EMN Targeted 2001</i>	<i>Final 2001</i>	<i>EMN Targeted 2002</i>	<i>Final 2002</i>	<i>EMN Target 2003</i>	<i>Projected* Final 2003</i>	<i>Target 2004</i>	<i>Target 2005</i>
Total New Freshmen	1,427	1,950	1,818	1,950	1,801	1,880	1,800	1,800	1,800
New Undergrad Transfer	476	520	494	510	474	510	510	510	510
New Post-baccalaureate	95	80	70	80	64	80	80	80	80
Undergraduate Readmit	388	400	362	370	398	400	410	410	410
Continuing Undergraduate	4,684	5,041	4,980	5,200	5,376	5,630	5,655	5,765	5,565
<i>Total Undergraduate</i>	7,070	7,991	7,724	8,110	8,113	8,500	8,455	8,565	8,365
<i>Undergraduate Targets**</i>				7,886	7,886	8,504	8,504	9,028	9,469
New Graduate	233	193	148	150	169	160	150	160	160
Graduate Readmit	0	22	70	70	78	70	70	70	70
Continuing Graduate	564	685	635	600	656	620	630	620	620
<i>Total Graduate</i>	797	900	853	820	903	850	850	850	850
<i>Graduate Targets**</i>				860	860	860	860	860	860
<i>Total Enrollment</i>	7,867	8,891	8,577	8,930	9,016	9,350	9,305	9,415	9,215
<i>Total Enrollment Targets**</i>			8,340	8,746	8,746	9,364	9,364	9,888	10,329

*Enrollment projection based on July 18th assessment of new and continuing enrollments.

**Enrollment targets needed to reach FYES goal of 8,952 in FY 06 as presented to the Board of Control at its December 2001 meeting.

Outlook for 2004

What is the Outlook for 2004?

- Meeting our enrollment targets will take new efforts.
-

What is the Outlook for 2004? (continued)

- Identify and develop strategies for the transfer student market
 - ◆ Revise current transfer policies
 - ◆ Track and actively communicate with the potential transfer student
 - ◆ Develop transfer agreements with community/technical colleges
 - ◆ Develop articulation agreements with community/technical colleges
 - ◆ Development of university centers
 - ◆ Identify new community/technical college regions and place new resources into the recruitment efforts
-

What is the Outlook for 2004? (continued)

- Use Technology to increase enrollments
 - ◆ Enhanced web pages
 - Develop strategies to attract the growing “Home Schooled” market
 - Develop recruitment strategies based on recent Financial Aid research completed on the conversion rates of aid recipients
 - Continue to identify new Retention initiatives that track the student beyond their first semester
 - Re-Entry / Re-Admit
 - ◆ Develop new strategies to communicate with students who do not continue to the next semester
-

Outlook for 2005

What is the Outlook for 2005?

- Meeting our enrollment targets will be challenging
 - Use Technology to increase enrollments
 - ◆ On-Line / Off-Campus degree completion programs
 - New programs / majors
 - Re-Entry / Re-Admit
 - ◆ Develop new strategies to identify past students (over one semester) who are possible re-entries and develop programs that will benefit their return to the university
-

Questions ???

Budget

Gavin Leach

Acting Chief Financial Officer

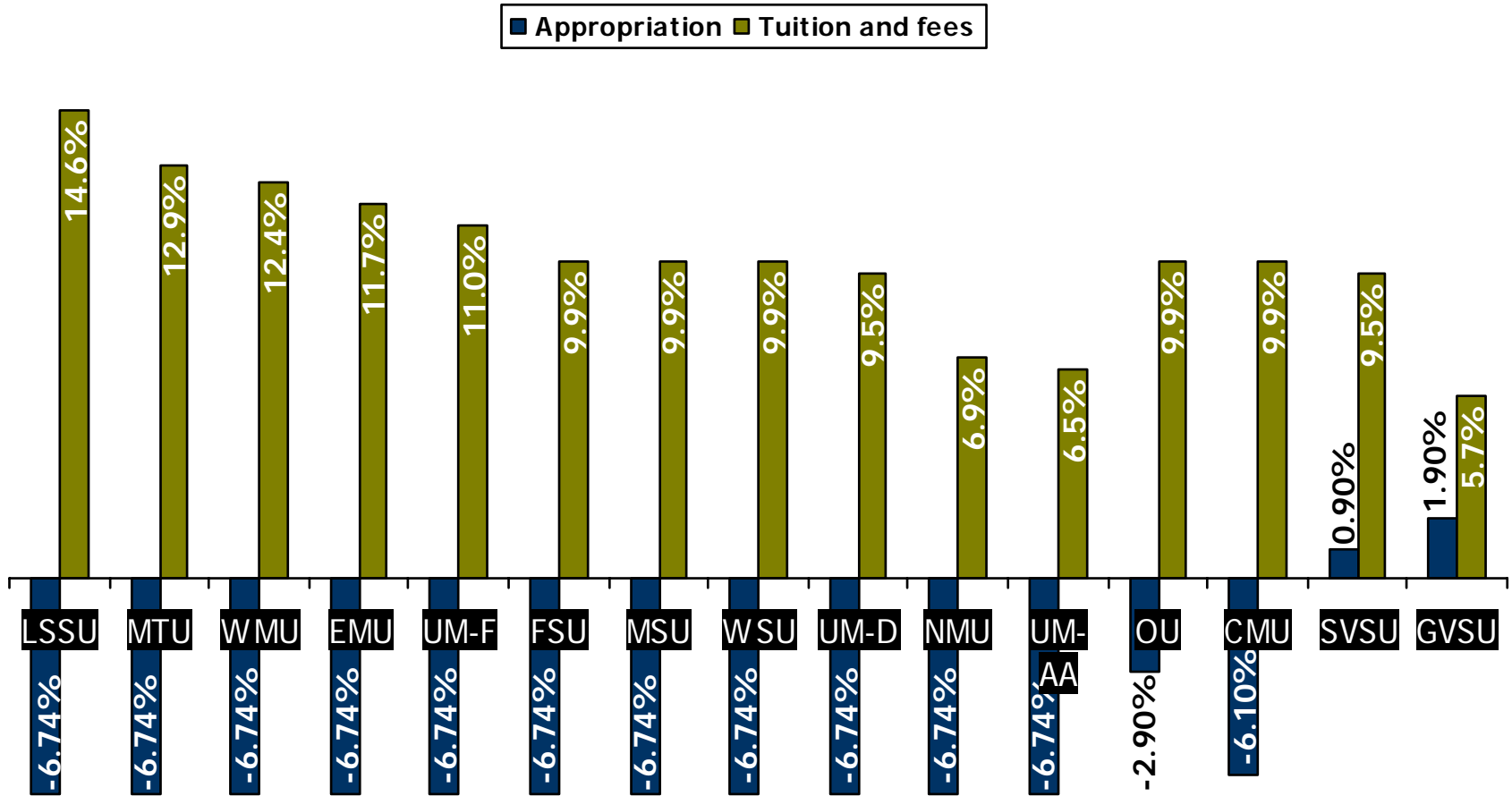
General Fund Base Budget Summary

- May, 2003 Board of Trustees Meeting
 - Approved fiscal year 2004 budget of \$78.3 million a decrease of \$1.9 million from fiscal year 2003 based on:
 - ◆ -\$5.2 million (10.0%) reduction in State appropriation from beginning appropriation for fiscal year 2003
 - ◆ -\$6.5 million in budget reductions and cost avoidance
 - 20 layoffs
 - 73 positions eliminated or reduced
 - ◆ +3.0% enrollment growth
 - ◆ +6.9% tuition and fee increase
-

Budget Summary

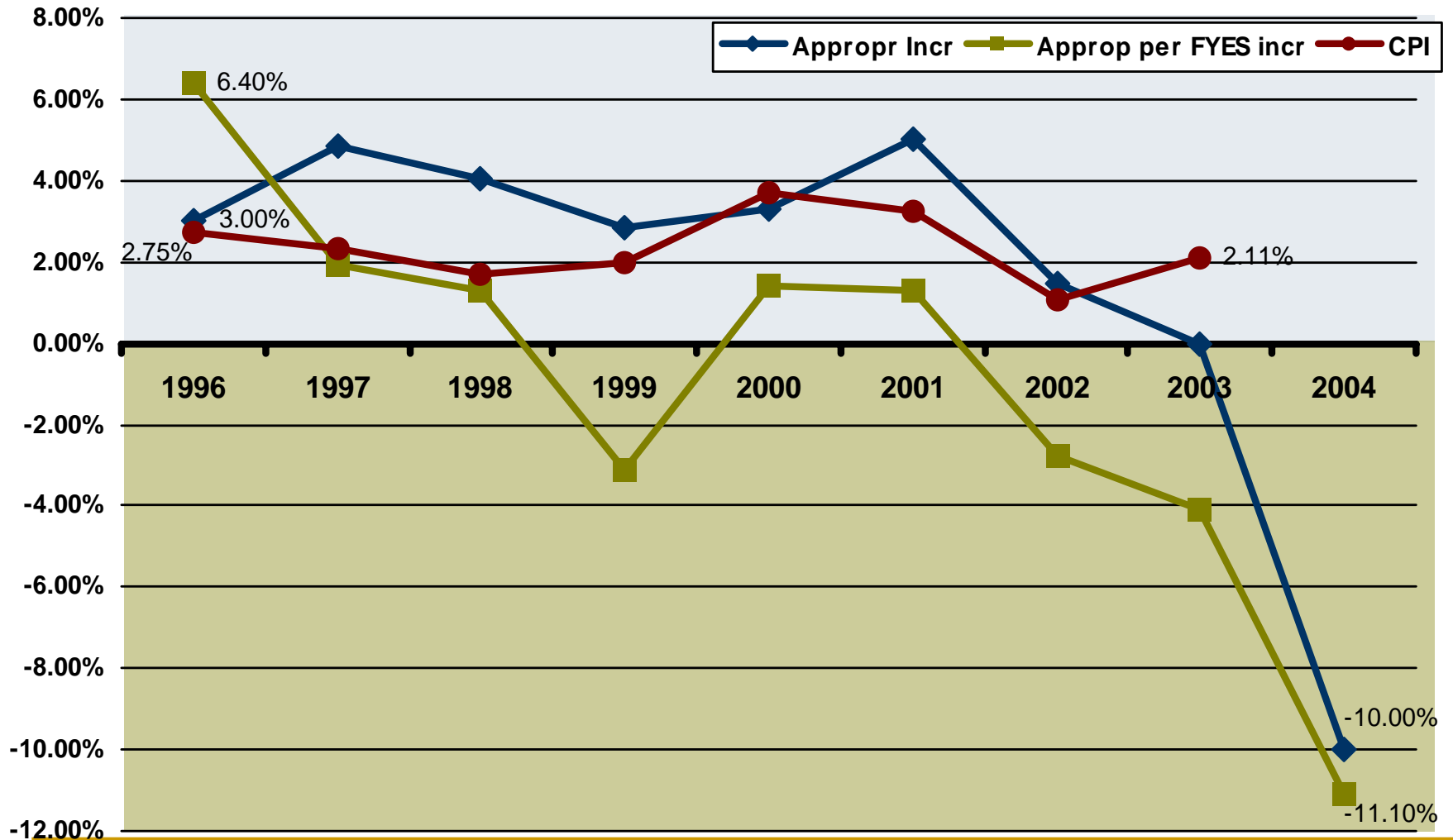
- July, 2003 – Higher Education Appropriation Conference Bill approved
 - Approved NMU state appropriation at level included fiscal year 2004 base budget approved in May, 2003
 - ◆ 6.74% reduction for NMU
 - ◆ 10.0% total reduction from since beginning of fiscal year 2003
 - Conference Bill also included one-time funds for universities including \$353,299 for NMU
 - ◆ Funding source is carry-forward funds from current year State budget which ends September 30, 2003
-

FY2004 State Appropriation and Annual Tuition and Fees Adjustments

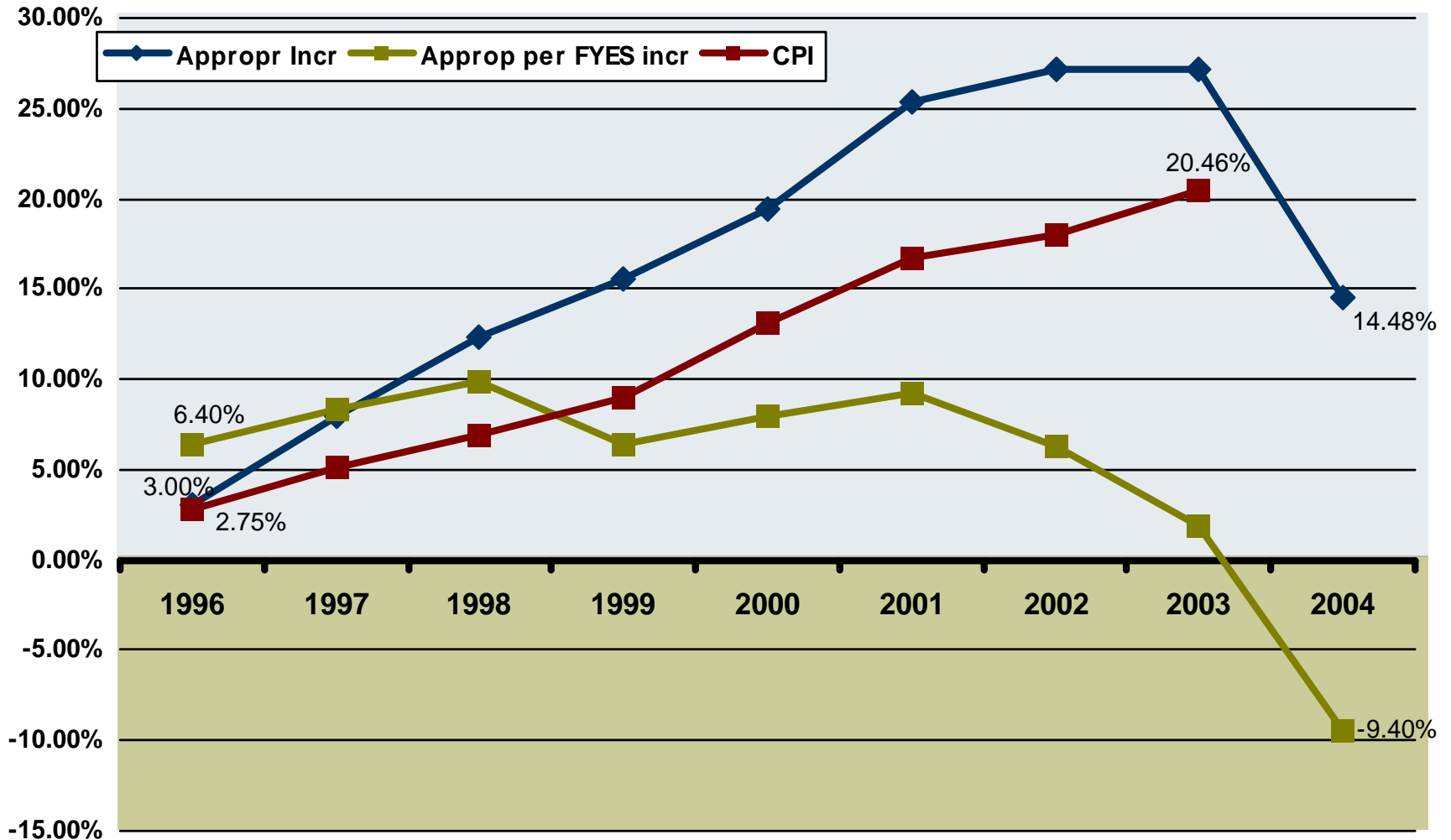


Note: Annual tuition and fee rates are preliminary and based on various published sources

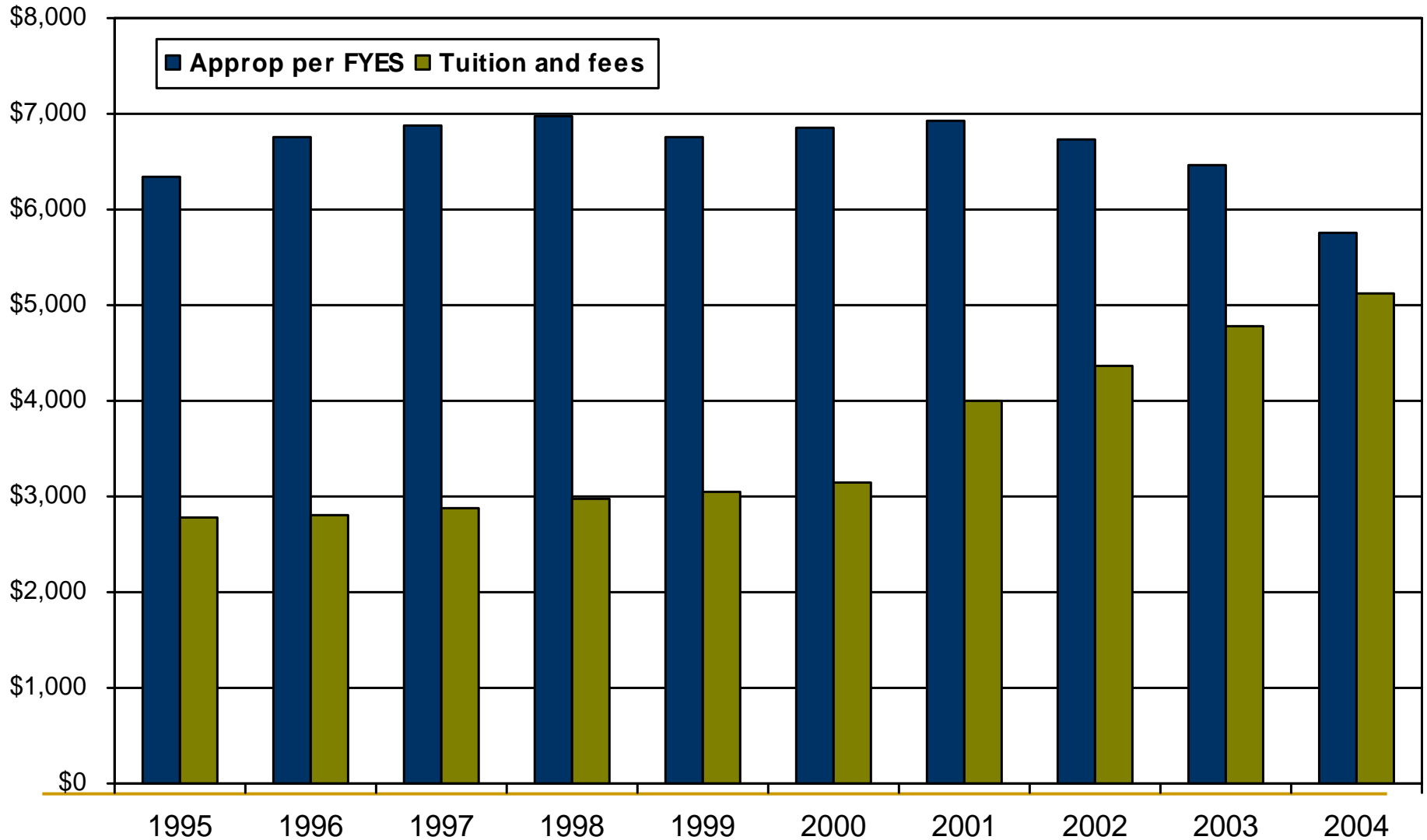
Year-to-Year Change in NMU Appropriation compared to Change in Appropriation Funding per Student (FY1995 base year)



Cumulative Change in NMU Appropriation compared to Cumulative Change in Appropriation Funding per Student (FY1995 base year – 10 year period)



NMU Appropriation and Tuition History



Preliminary Annual Tuition and Fee Rates

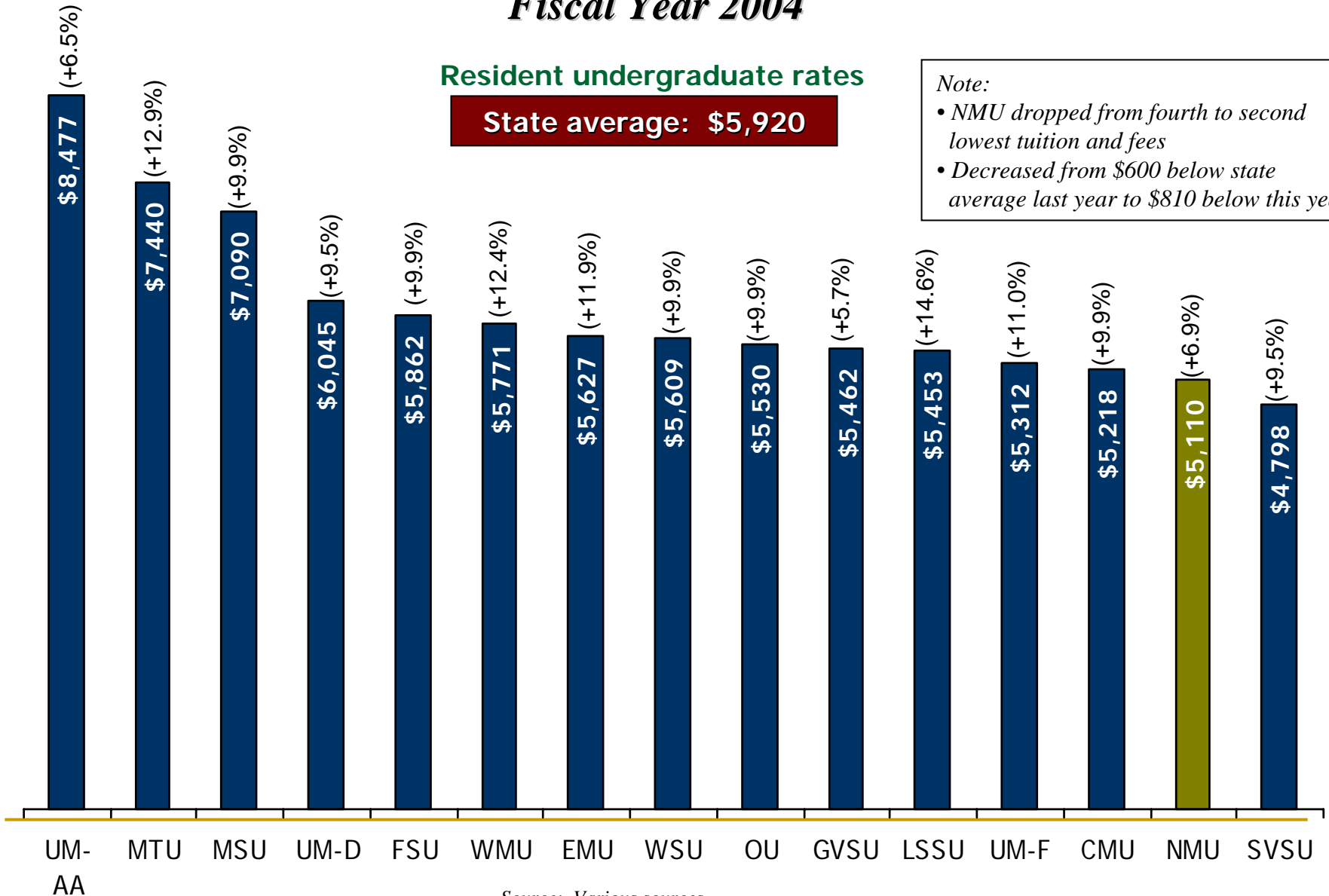
Fiscal Year 2004

Resident undergraduate rates

State average: \$5,920

Note:

- NMU dropped from fourth to second lowest tuition and fees
- Decreased from \$600 below state average last year to \$810 below this year

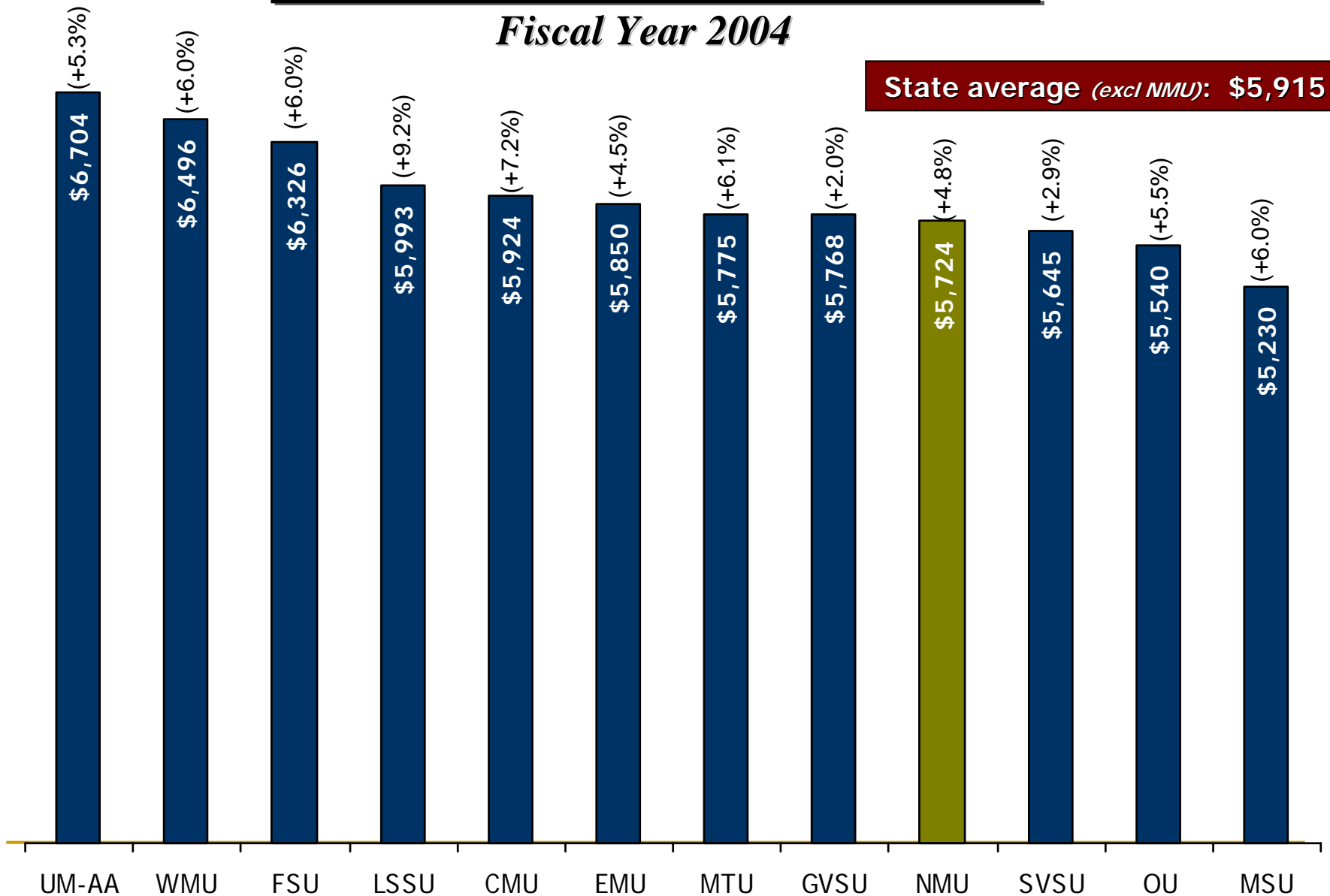


Source: Various sources

Annual Room and Board

Fiscal Year 2004

State average (excl NMU): \$5,915



FY2004 General Fund Base Budget Summary

- Budget remains balanced at \$78.3 million and \$1.9 million less than fiscal year 2003
 - \$6.5 million in budget reductions and cost avoidance measures (except for open labor agreements) have been implemented including the 20 layoffs and 73 positions scheduled to be eliminated or reduced
 - Faculty (AAUP) negotiations are in process
 - Administrative/Professional (UAW) negotiations are scheduled to commence in August
 - NMU now has the second (2nd) lowest tuition and fees in the State (down from fourth lowest)
 - NMU remains fourth lowest in room and board costs
 - Total enrollment for fiscal year 2004 remains on target, but freshmen numbers are a concern for future year budget
-

Questions

Capital Outlay

Carl Pace

*Associate Vice President for
Business Services and Facilities*

Carl Holm

Director – Housing and Residence Life

Capital Outlay

- Why are we discussing additional capital outlay projects, when we have just implemented major budget reductions and are faced with additional reductions next year?
 - Campus long-range plan
 - Deferred maintenance
 - Enrollment growth
-

Campus Long-Range Plan

- Student Services Center
 - Completion – Fall 2004
 - About 50% of Sam Cohodas Administrative Center (SCAC) offices will move
 - Most of the student service functions in University Center (UC) will move
 - Vacated SCAC space to be used for faculty offices and classrooms
 - Vacated UC space will house Development and Alumni
-

Deferred Maintenance

- ISES Corporation facility assessment
 - Total current and projected costs over ten years - \$176,382,000
 - ◆ General Fund - \$88,538,000
 - ◆ Auxiliary Operations - \$87,844,000

Deferred Maintenance (continued)

- General Fund - \$88,538,000
 - SBA Projects - Approved
 - ◆ Hedgcock \$7,062,000
 - ◆ Thomas Fine Arts \$4,138,973
 - ◆ Art and Design North \$819,748
 - SBA Projects – On List
 - ◆ Learning Resource Center \$11,930,999
 - ◆ Sam Cohodas Admin. Center \$ 6,341,079
-

Deferred Maintenance (continued)

- General Fund

- Buildings to be vacated

- ◆ Carey Hall \$4,826,689

- ◆ Lee Hall \$3,506,607

- Other

- ◆ Utility infrastructure \$19,530,852

- ◆ Hardscape \$1,626,673

- ◆ Campus security \$435,569

Deferred Maintenance (continued)

- General Fund

- Remaining facilities \$27,144,000
- Ten year plan
 - ◆ Year one through five \$17,212,000
 - ◆ Year six through ten \$ 9,932,000
- Annual General Fund Repair and Maintenance Fund – \$2.7 million

General Fund Projects

- Sam Cohodas Administrative Center Renovation
 - Estimated cost – \$9.8 million
 - Potential SBA project
 - Start – Fall 2004
 - Complete – Fall 2005

 - University Center Renovation
 - Estimated cost – \$2.4 million
 - Development and Alumni renovation – \$.7 million
-

General Fund Projects (continued)

- Heating plant boiler addition
 - Estimated cost \$1,550,000
 - Electrical switchgear
 - Estimated cost \$1,750,000
 - Superior Dome Canopies
 - Estimated cost \$200,000
-

Deferred Maintenance

■ Auxiliary Operations - \$87,844,000	
• Summit Street Apartments	\$5,852,395
• Quad I	\$5,192,723
• Quad II	\$4,521,111
• Wilkinson House	\$301,349
• University Center	\$11,614,204
◆ Development and Alumni	\$700,000
◆ Deferred maintenance	\$1,600,000

Deferred Maintenance (continued)

■ Auxiliary

- Apartments \$13,520,368
- Residence Halls \$46,156,127
 - ◆ Less fire safety systems (\$3,000,000)
- Total Apartments and Residence Halls \$56,676,495

Enrollment Growth

- Enrollment Target Fall 2005 10,400
 - Projected residence hall occupancy 2,800
 - Current capacity 2,354
 - Fall 2002 occupancy (98%) 2,313
 - Fall 2003 projected occupancy (97%) 2,275
 - ◆ Mixed Signals
 - Fall 2004 2,275
 - ◆ Same as Fall 2003
-

Housing Projects

- New apartment complex
 - Estimated cost \$10 million
 - 100 apartments, 144 beds
 - Open Fall 2006
 - Replace Summit Street apartments

 - Magers Hall renovation
 - Estimated cost \$5.3 million
 - 260 beds
 - Open Fall 2005 or Fall 2006
-

Housing Summary

■ Enrollment Target	10,400
• Residence hall occupancy	2,800
◆ 446 over capacity	
• Current residence hall capacity	2,354
• Additional housing	
◆ New apartments	144 beds
◆ Magers Hall	260 beds
• New capacity	2,758

Other Housing Projects

- Residence Hall Renovation

- One residence hall per year
- Renovation: electrical system, domestic water lines, floors/ceilings, lighting
- Estimated cost - \$2.5 million per residence hall
- Start – Summer 2005

- Quad II

- Housing and Residence Life \$872,000
 - Dining Services \$86,000
-

Timeline

- Recommendation October or December Board of Trustee's meeting.
 - Bond Issue January-March 2004
-