

# General Fund Budget



# Balancing the budget



- What is the impact on:
  - Quality of education
  - Class size
  - Personal attention
  - Affordability
  - Enrollment growth
  - High tech learning environment

# Listened and Communicated with NMU Community

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- The Board and the President have been meeting and communicating with parents, students, faculty, staff, State legislators and alumni through:
  - Let's Talk student forums
  - Parent network newsletters
  - E-mail responses to questions
  - Visits with parents throughout the state
  - Personal visits with local community
  - University Forums

# What we have heard from you

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- You value:
  - Quality programs and services
  - Personal attention
  - Small class sizes and available course sections should remain constant
  - Faculty growth to meet enrollment growth
  - Quality learning facilities
  - Library holdings
  - Affordable tuition and fees – fourth (4<sup>th</sup>) lowest in the state

# What are other universities doing?

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- In Michigan

- Likely increasing tuition near the maximum level
- Forced to cut budgets, which could lead to personnel and programmatic reductions

- Other States

- Increases of more than 20 percent
- Layoffs
- Program reductions

# Balancing the budget

## Key Factors:

- Appropriation increase 0.0%
- Enrollment increase 2.5%
- Projected deficit before tuition and budget reductions \$3.8 million
- Student voted Activity fee increase of \$9.70 per semester
- The \$425 maximum agreed to with the legislature
- The impact on
  - Class size
  - Quality
  - Personal attention
  - Affordability – relative position in state in tuition and fees

# Balancing the budget

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- **NMU administrative recommendation to Board:**
  - **Approximately \$740,000 in budget reductions**
    - Protection of Academic Affairs in budget reductions
  - **Tuition and fee increase near the maximum level**

# Balancing the budget

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Here's why:

- \$0 appropriation increase
- Need to go into next fiscal year with a balanced budget
- Lack of stability in state economic condition
- May be facing another round of budget reallocations next year
- Maximum increase is moderate to low compared to increased throughout the region and nation

# Tuition and Fee Structure

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- **Simplify tuition and fee structure**
  - Reduces the number and complexity of fees
    - One “Comprehensive fee”
      - Eliminates separate fees for Registration, University Center, Health Center, Learning Technologies, and TLC
      - Consistent with TLC implementation plans, the TLC fee will be eliminated after the fall 2001/winter 2002 academic year
        - No waivers beginning fall 2002
    - Student Activity fee will remain separate
  - Allows on campus students to include off campus courses within the flat-rate tuition structure
    - Tuition rate per credit hour for distance education courses will be the same as on campus
  - Full-time graduates will receive a University issued laptop computer as part of tuition and fees

# Summary of Impact

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- Class sizes and course sections should remain constant
- Allows us to continue to hire faculty to meet enrollment increase
- Minimal impact on quality of programs and services
- Maintains increase in library acquisitions
- Savings from administrative and service positions
- Allows us to move forward on capital outlay projects
- Maintains relative position of fourth lowest in the State for tuition and fees

**Thank You !**

# Questions