

Minnesota State University Moorhead
President's Mid-Year Update for Alumni Foundation Board
April 14, 2011

Minnesota State University Moorhead is a fundamentally strong university which, like most other public universities in the country, is facing budget challenges. For this update, I will provide you with some highlights of our accomplishments and activities and then discuss our budget challenges and approach.

Some Accomplishments and Activities

- In November, Russ Colson, a Professor in the Department of Anthropology and Earth Science, was named by the Carnegie Foundation for the Advancement of Teaching as the 2010 Outstanding U.S. Master's Universities and Colleges Professor. Russ is our first national professor of the year. Furthermore, we have had 8 state professors of the year, more than any university in our state or region.
- Mass Communication students continue to win prestigious national awards. *Inspired by Nature*, a 2010 television documentary produced in the broadcast documentary class at MSUM and broadcast on Prairie Public Television was selected as the best student television documentary by the Broadcast Education Association (BEA) in the national competition. In the student television newscast category, MSUM's *Campus News* program, also broadcast on Prairie Public Television, won third place. The BEA Festival of Media Arts is an international refereed exhibition of faculty creative activities and a national showcase for student work. These 2011 winners were selected from a pool of 913 entries from 142 colleges and universities.
- Through continued best practice recruiting methods, our Admissions Office is on schedule to enroll the largest freshman class since 2003. We are currently up 24% in new admitted freshman for fall 2011, and transfer applications are up 32% over this time last year.
- In addition to strong enrollment projections we are also seeing a significant increase in the ACT profile of our entering freshman class.
- Our brand is faculty-student engaged learning, and we have many high quality academic programs. However, we have not done well in communicating our brand and strength. Three current initiatives have addressed this challenge.
 - Development of new, more cohesive and user-friendly website is well under way.
 - A new academic logo was selected and will be implemented in the fall of 2011.
 - We have now developed a series of publications to reinforce our brand and our academic quality with external audiences. *Great Graduates*, which was just completed, will be mailed to external audiences and used with admitted students to promote enrollment. It can be found on the web at <http://www.mnstate.edu/president/GreatGrads.pdf>. A new edition will be printed every October. A new edition of *Exemplars of Excellence* is underway and will be printed each April. A new one page color publication, *MSUM Today*, will be sent out four times each year to external audiences.

Budget Challenges and Approach

Currently, we are facing a budget gap of between \$3.5M and \$4.5M for the first year of the coming biennium. This gap is between 5.2% and 6.8% of our general fund budget. It is caused by the combination of proposed decreases in state appropriation, a cap on tuition increases, and the possibility of contractual settlements that would increase compensation costs. We will not know the size of the gap until July, after the legislature, the unions, and the Board of Trustees have finished their work.

Fortunately, as the state budget deficit grew, we began to plan for a decrease in state appropriation. Therefore, we have already decreased our base budget by \$2.9M and are working on various contingencies for the remainder of the gap. As we consider cuts, we work to minimize the impact on students while also protecting revenue generation. We are now down over 10% of our permanent employee workforce, and cannot cut more without eliminating needed services and programs with good enrollment.

Given the changed fiscal reality of public higher education, we have been working on a model for long term fiscal sustainability. A discussion paper on the topic was presented at a town meeting and is on the web for comment at <http://www.mnstate.edu/president/Speeches/fiscal/fsconceptpaper021011.pdf> . We have been following the basic elements of this model by working on mission focused protection of our brand, increased return on investment, increased focus on efficiency in all areas, and some diversification of our revenue stream.

At the same time that we have addressed budget challenges, we have also continued our forward momentum, propelled by our strategic plan. Updates on progress can be found on the web at http://www.mnstate.edu/president/Speeches/quarterly_updates/indexnew.htm .