

Murray State University  
University Town Hall  
April 14, 2021

**PENDING BOARD OF REGENTS' APPROVALS**

# Racer Safe and Healthy

- The past 13 months...thank you!
- Strongly encourage vaccinations
  - CFSB Regional Vaccination Center
  - <http://www.MurrayKYvaccine.org> to schedule
  - Thanks to our team
- Fall 2021 – protocols

# Fall 2021 and Beyond

- March 25, 2021 email...please review
- Returning to normal – *Moving Forward Safely* – Fall 2021 and beyond
  - To look more like Fall 2019, not 2020
- We are a nationally-recognized, residential, comprehensive university; primarily offering in-person classes and academic experiences
  - We have made significant investments in technology and training as well as in online and remote learning since 2018 and we will continue to enhance these delivery modes and academic offerings to our students who choose these methods of course delivery.

# FOCUS

- Teaching and Learning
- Student Success
  - Retention – 81% for baccalaureate degree-seeking undergraduate students
  - Graduation Rates – 53% six-year rate
  - Student Progression – 30, 60, 90 hour levels
  - Course Completion

# Transparency of Budget Process

- President's Executive Council Planning Retreat
- Continuing discussions with President's Executive Council
- Budget Advisory Committee
- Regular meetings with constituency leadership
- Campus-wide University Town Hall Meeting
- Full Board of Regents Meetings (April and June)

# FY21 Overall Budget

- Not anticipating using General Fund reserves to close the year out.
- \$2M one-time budget contingency remains to assist with small projected tuition shortfall.
- No mid-year state appropriations reductions.
- Maintained high quality of academic programs.

# FY21 Overall Budget

(continued)

- Faculty and Staff
  - Accommodations have been made for issues related to the pandemic.
  - All regular employees continue to receive contracted salaries and wages.
    - **No furloughs**
    - **No layoffs**
    - **No reduction-in-force**
    - **No pay reductions**
  - All benefits continue to be offered with no reductions.

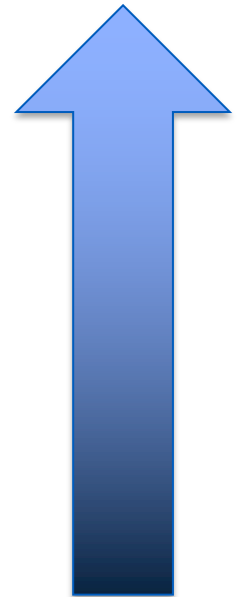
# National University Enrollment Fall 2020

- Public 4-year universities
  - First-time Freshmen – 13.7% decline
- Graduate enrollment – 4% increase
- Public community colleges – 22.7% decline in first-time community college students; total community college enrollment decline of 9.4%
- Total undergraduate enrollment – 4% decline



# Fall 2020 Enrollment

- We are all recruiters!...Roads Scholars...
- Enrollment...Fall 2020 over Fall 2019 (2<sup>nd</sup> year in a row!)
  - First-time Freshmen – up 6%
  - First-time Transfers – up 23%
  - First-time Graduate – up 16%



# FY21 Tuition Challenges

- Fall 2020 enrollment (credit hours) – ~1% decrease
- Spring 2021 enrollment (credit hours) – ~2.5% decrease
- **Must meet \$4.1M Summer I budget**
- \$700,000 short of meeting budget projections
  - *Cover from \$2M one-time budget contingency*

# 2021 State Legislative Session Update

- **HB 192 – State Budget**
  - Capital projects request
- **SB 135 – Performance Funding Model**
- **HB 8 – KERS funding changes**
- **HB 258 – TRS Hybrid Plan applicable to **new** members after January 1, 2022**

# HB 8 - KERS

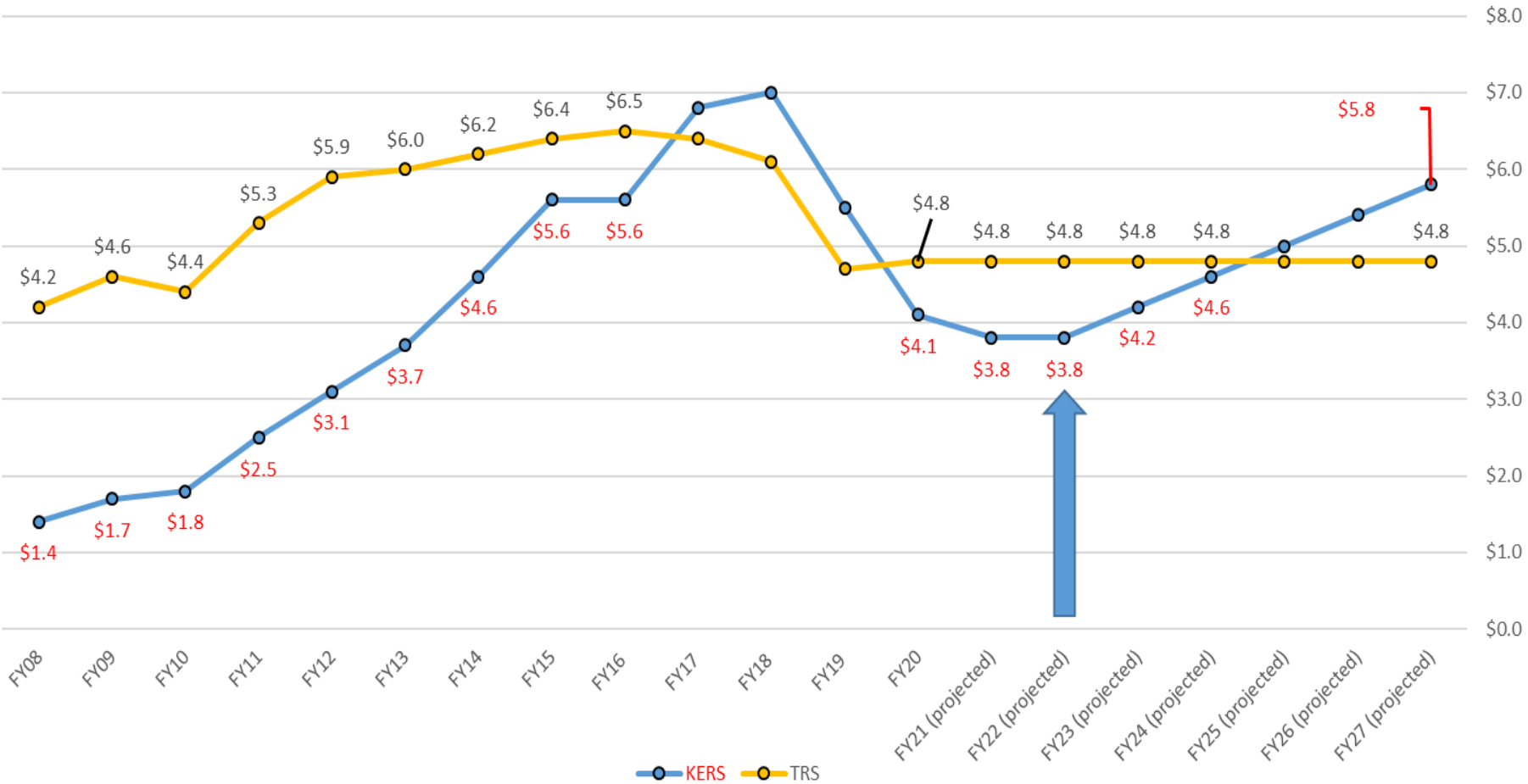
The schedule below represents the increase in KERS payments as a result of House Bill 8 approved in the 2021 Legislative Session.

The FIXED amount increase is projected to be \$4M and equates to 98.8% of the payroll for employees in KERS.

The current payroll contribution of 49.47% remains in place and is a component of the 98.8%.

	Annual Payments	\$ Funded by State	\$ Funded by University	% Funded by State	% Funded by University
100% of estimated <b>Fixed</b> KERS Increase	\$4,000,000				
FY22	\$4,000,000	\$4,000,000	\$0	100%	0%
FY23	\$4,000,000	\$3,600,000	\$400,000	90%	10%
FY24	\$4,000,000	\$3,200,000	\$800,000	80%	20%
FY25	\$4,000,000	\$2,800,000	\$1,200,000	70%	30%
FY26	\$4,000,000	\$2,400,000	\$1,600,000	60%	40%
FY27	\$4,000,000	\$2,000,000	\$2,000,000	50%	50%
FY25 and future years	\$4,000,000	\$2,000,000	\$2,000,000	50%	50%

## KERS and TRS Employer Contribution Amounts in Millions



# FY22 Budget Model Highlights

- Maintain student access and affordability
- Average COLA of 2.15%
- No proposed reduction in employee benefits
- No increased rates in KERS for FY22 only
- No appropriations increase or decrease
  - No overall state reductions
  - No decrease for performance funding pool
- Recruitment funding
- Flat enrollment
- Fixed costs changes

# FY22 COLA Adjustment

**1% across-the-board + \$500 flat increase**

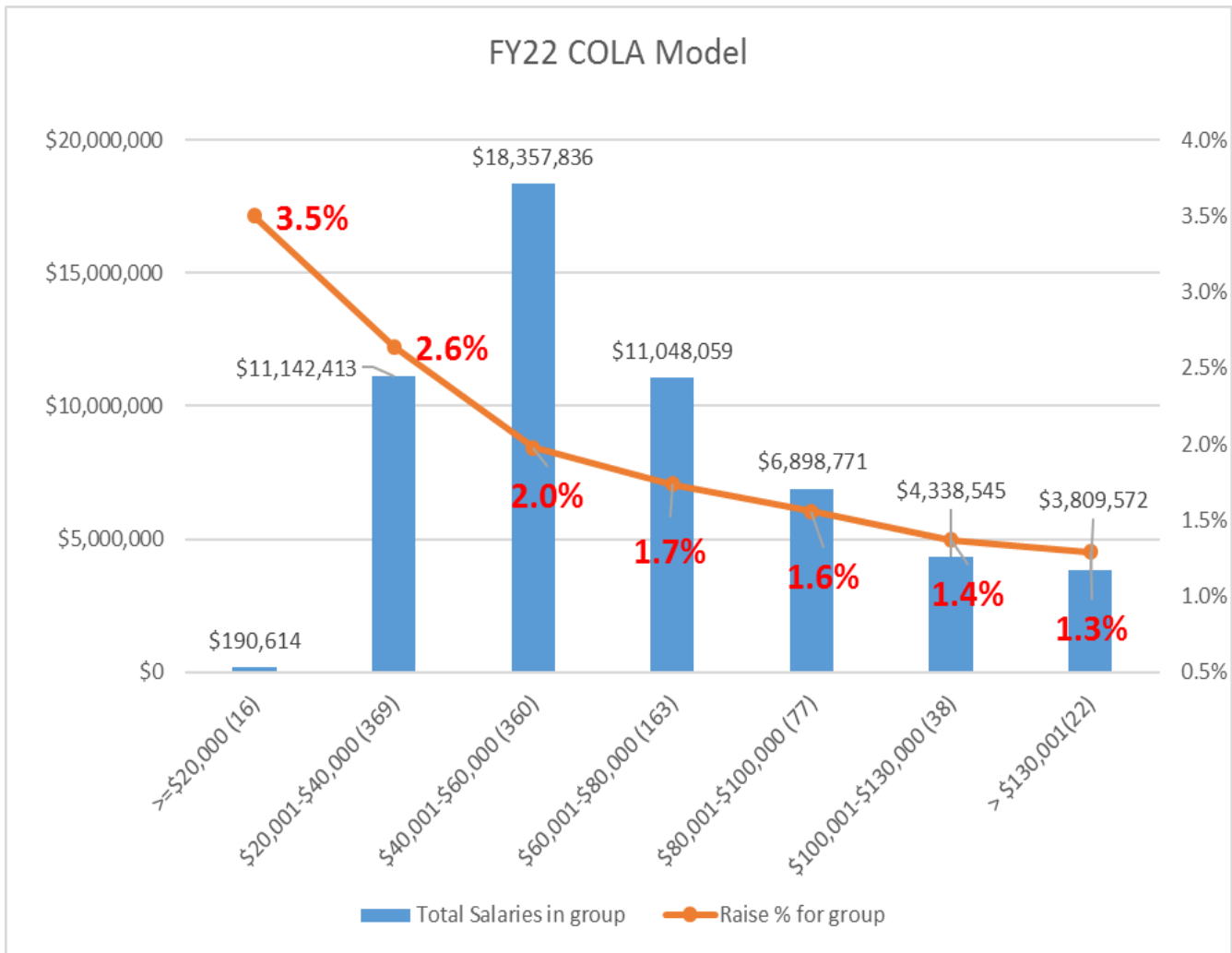
(Applies to all regular employees hired before April 1)

Average Salary = \$53,350

Average raise percent = 2.15%

Average raise for this model = \$1,027

Annual salary	Raise Amt	Raise %
\$20,000	\$700	3.50%
\$40,000	\$900	2.25%
\$60,000	\$1,100	1.83%
\$80,000	\$1,300	1.63%
\$100,000	\$1,500	1.50%
\$130,000	\$1,800	1.38%





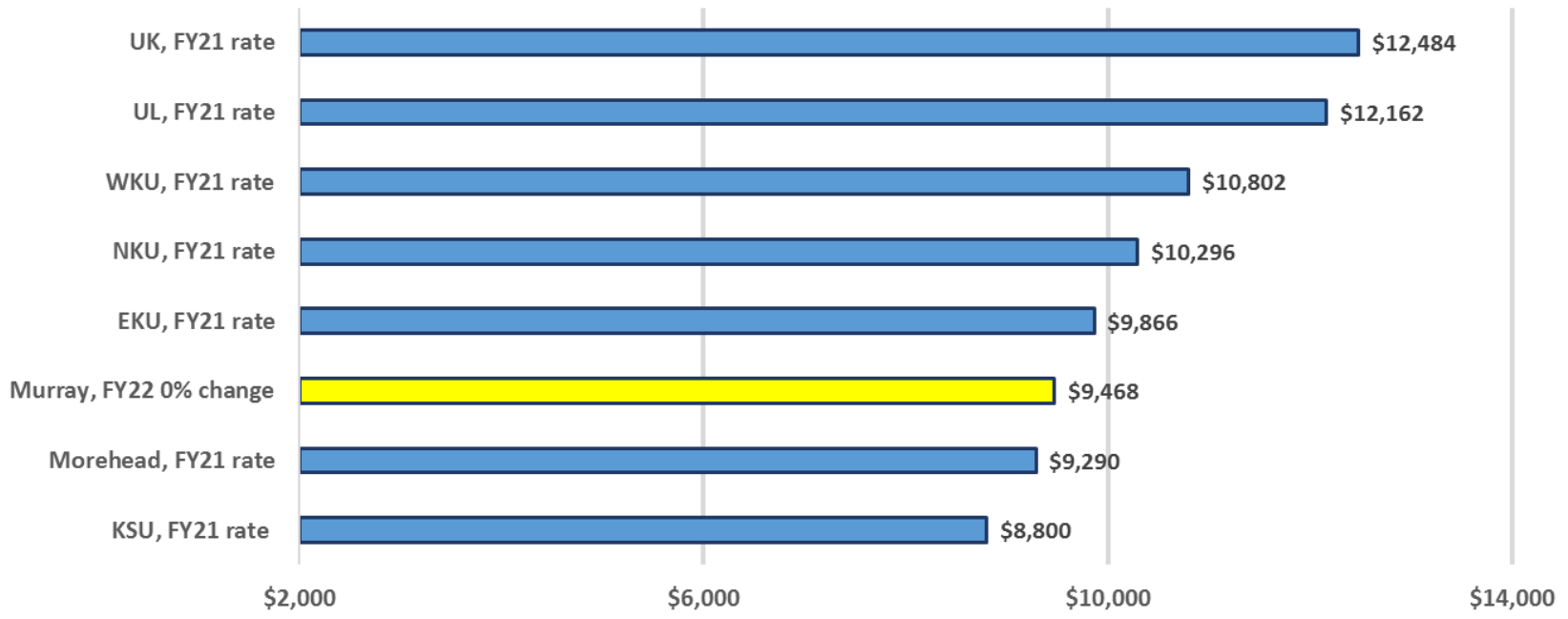
# FY22 Asset Preservation Highlights

- Issuance of \$12M of bonds
  - Debt paid with a portion of Asset Preservation Fees
  - Used for multiple asset preservation projects to be brought to June 2021 Board of Regents meeting
  - Historic Buildings – Lovett Auditorium, Wrather Hall and Curris Center
- Continue with Housing review and development of long-range plans
- Campus/student life enhancements/Curris Center, Lovett Auditorium, Wrather, Wilson and Wells Halls

# FY22 Tuition and Mandatory Fees and Housing and Dining Rates

- 0%-1% increase in undergraduate rates
- 0%-1% increase in graduate and doctoral rates
- 0% increase in housing rates
- 3.35% increase in dining rates  
(Contractual rate increase)

**FY22 Kentucky Universities Gross Tuition and Mandatory Fee Rate Comparisons**  
*for*  
**Undergraduate, Resident, Full-time, Annual Rates**  
 Includes Special Use and Asset Preservation Fees



# Murray State FY22 Housing Rate Compared to Other Kentucky Universities

University	Semester	Fiscal Year
University of Kentucky	\$3,979	21-22 (Proposed)
University of Louisville	\$3,395	21-22 (Proposed)
Western Kentucky University	\$3,052	21-22 (Proposed)
Eastern Kentucky University	\$2,994	20-21
Murray State University (Hart Hall)	\$2,769	21-22
Northern Kentucky University	\$2,750	21-22 (Proposed)
Morehead State University	\$2,650	20-21
Kentucky State University	\$1,670	20-21

Rate comparisons are for the comparable housing configurations.

# Murray State FY22 Dining Rates Compared to Other Kentucky Universities

University	Semester	Fiscal Year
Morehead State University	\$2,345	20-21
Western Kentucky University	\$2,269	21-22 (Proposed)
Eastern Kentucky University	\$2,217	20-21
Northern Kentucky University	\$2,208	21-22 (Proposed)
Murray State University	\$2,165/\$1,889	21-22 (Proposed)
University of Kentucky	\$2,100	20-21
University of Louisville	\$2,092	20-21
Kentucky State University	\$1,675	20-21

Rate comparisons based on Unlimited (All Access) meal plan option or closest equivalent

# Budget Calendar

- January 26 – Budget Advisory Committee
- April 8 – Budget Advisory Committee
- April 14 – University Town Hall
- April 23 – Special Board of Regents meeting to approve tuition and fees
- Mid-May – Council on Postsecondary Education (CPE) meeting to approve tuition parameters
- June 7 – Regular Board meeting to approve FY22 Budget
- June 25 – CPE meeting to approve tuition rates

# Moving Forward

In an effort to provide affordability and access for our students and to continue supporting faculty and staff during this unprecedented pandemic, the 2021-22 budget will be balanced with one-time Federal Stimulus funds.

**This action will require structural budget changes for 2022-23 to ensure a balanced budget. Work will begin on July 1, 2021, to complete this task.**

# Next Steps

- **Hiring freezes** on all positions and must have appropriate Vice President and Presidential approval if any are filled.
- **Elimination of overtime**, with few exceptions.
- **Temporary employees** will not be utilized, with few exceptions, approved by the appropriate Vice President or President.
- **Travel is limited**, approved by the appropriate Vice President or President.
- **All expenditures over \$2,500** and budget transfers must be approved by the appropriate Vice President or President.
- **All contracts through Procurement Services** continue to be reviewed with departments to determine if they are necessary or if changes can be made to the contracts to reduce costs.
- **Several other areas** of the University are being reviewed for budgetary efficiencies.



We are resilient.  
We are stewards.  
We are Racers.