

FY 2020 Budget



FY 2020 Budget Presentation

- ❖ FY 2020 Proposed Budget
- ❖ Proposed Student Costs
- ❖ Strategic Initiatives



Items Presented For Approval

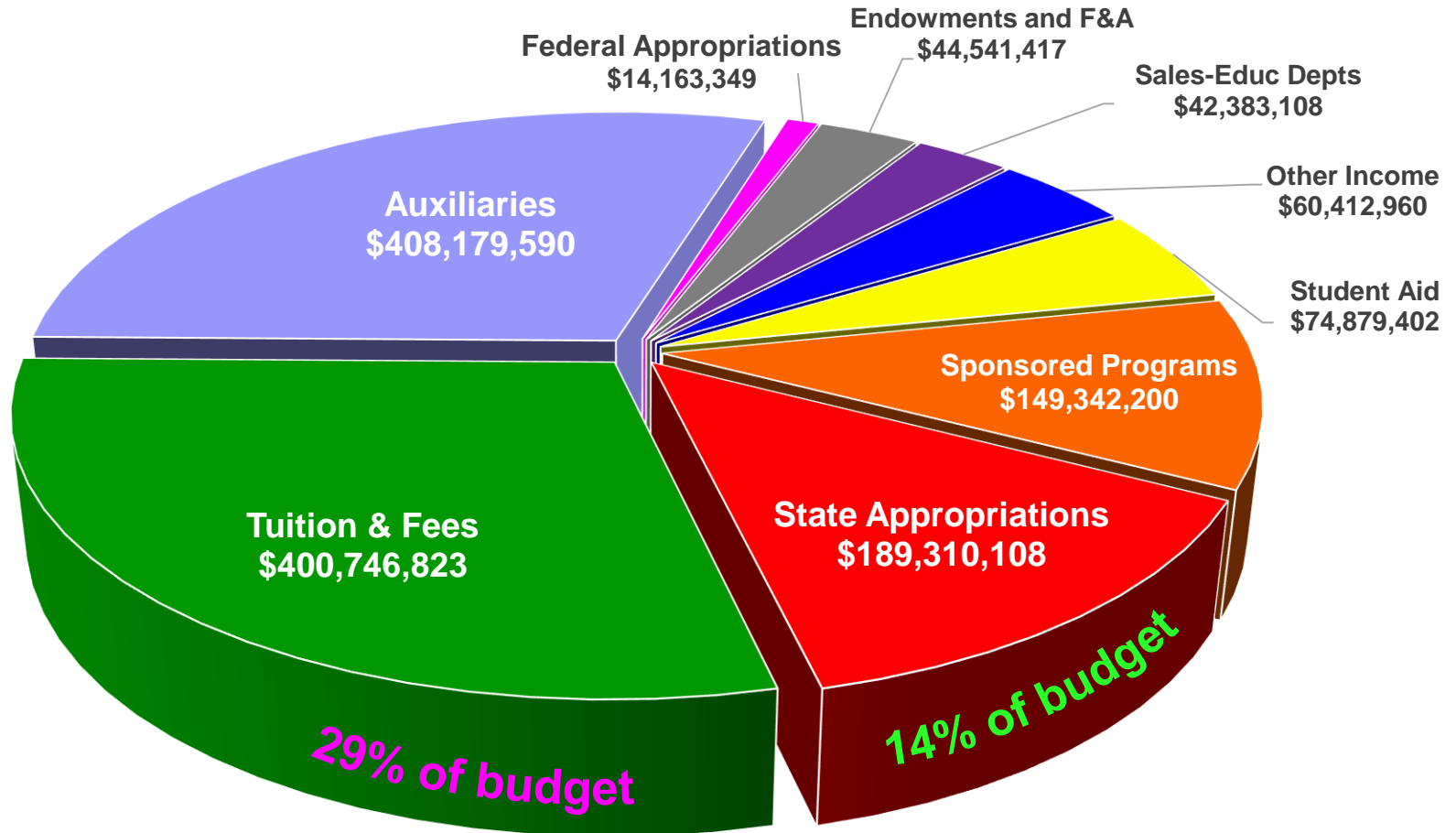
- ❖ State Regents' Budget Forms
- ❖ Tuition & Fee Rates



FY 2019 vs. FY 2020 Total Budget All Agencies

Agency	FY 2019	FY 2020	\$ Change	% Change
General University	\$820,764,806	\$855,879,707	\$35,114,901	4.28%
Oklahoma Agricultural Experiment Station	63,389,601	59,428,062	(3,961,539)	-6.25%
Oklahoma Cooperative Extension Service	48,874,419	47,513,869	(1,360,550)	-2.78%
OSU Institute of Technology	53,786,755	55,514,191	1,727,436	3.21%
Center for Veterinary Health Sciences	41,773,474	43,128,994	1,355,520	3.24%
Oklahoma City	73,262,657	74,455,338	1,192,681	1.63%
Center for Health Sciences	202,822,500	227,417,366	24,594,866	12.13%
Tulsa	20,490,088	20,621,430	131,342	0.64%
Totals	\$1,325,164,300	\$1,383,958,957	\$58,794,657	4.44%

Sources Of Revenue – All Agencies



FY 2020 Total Revenue = \$1.4 Billion
Estimated System Enrollment = 33,438

Proposed Student Costs

OSU System Proposed Tuition/Mandatory Fee Increases For FY 2020

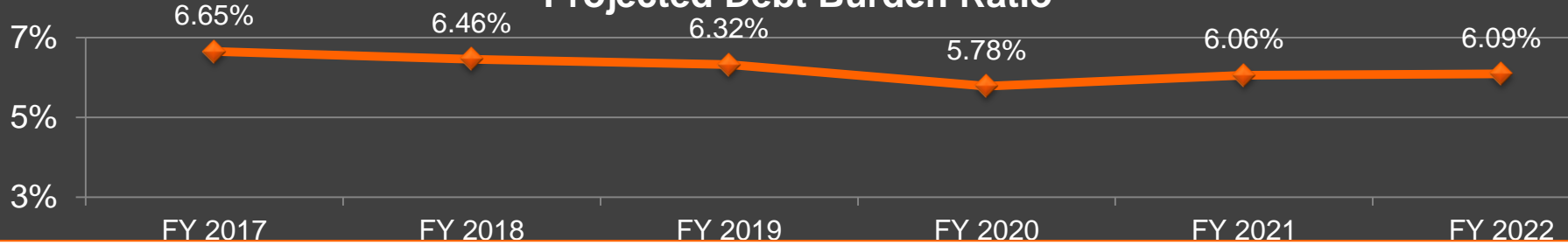
Agency Tuition By Level & Residency	Proposed		% Peer Limit	Increase		
	Per-Credit Hour	Annual		Per-Credit Hour	Percent	Annual
General University & Tulsa:						
Undergraduate Resident	\$300.60	\$9,018	77.2%	\$0.00	0.0%	\$0
Undergraduate Nonresident	\$817.95	\$24,539	77.1%	\$0.00	0.0%	\$0
Graduate Resident	\$352.50	\$8,460	80.8%	\$0.00	0.0%	\$0
Graduate Nonresident	\$998.45	\$23,963	97.2%	\$0.00	0.0%	\$0
Graduate Nonresident - Online Degree Programs	\$482.05	\$11,569	NA	\$0.00	0.0%	\$0
Center for Veterinary Health Sciences:						
Resident		\$23,557	85.9%		0.0%	\$0
Nonresident		\$49,922	91.3%		0.0%	\$0
OSU Institute of Technology:						
Undergraduate Resident	\$185.00	\$5,550	47.5%	\$0.00	0.0%	\$0
Undergraduate Nonresident	\$372.00	\$11,160	35.1%	\$0.00	0.0%	\$0
Oklahoma City:						
Undergraduate Resident	\$153.78	\$4,613	39.5%	\$4.50	3.0%	\$135
Undergraduate Nonresident	\$397.03	\$11,911	37.4%	\$11.75	3.0%	\$353
Center for Health Sciences:						
Graduate Resident	\$283.96	\$6,815	65.1%	\$21.78	8.3%	\$523
Graduate Nonresident	\$929.91	\$22,318	90.5%	\$21.78	2.4%	\$523
Graduate Nonresident - Online Degree Programs	\$398.31	\$9,559	NA	\$6.58	1.7%	\$158
Professional Resident		\$28,379	74.8%		1.7%	\$484
Professional Nonresident		\$55,881	83.2%		0.9%	\$484

OSU-Stillwater UG Resident Tuition/Fee Increases:
FY10 = 0.0%
FY11 = 4.4%
FY 12 = 4.8%
FY 13 = 2.8%
FY 14 = 0.0%
FY 15 = 0.0%
FY 16 = 4.5%
7-Yr. Avg. = 2.4%
FY 17 = 7.0%
8-Yr. Avg. = 2.9%
FY 18 = 5.0%
9-Yr. Avg. = 3.2%
FY 19 = 3.2%
10-Yr. Avg. = 3.2%
FY 20 = 0.0%
11-Yr. Avg. = 2.9%

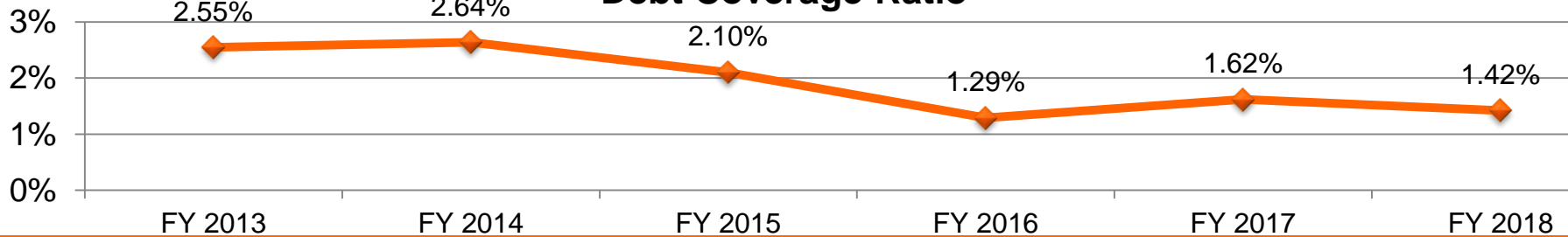
Note: Annual amounts are based on 30 credit hours for undergraduate rates and 24 credit hours for graduate rates.

Key Financial Indicators

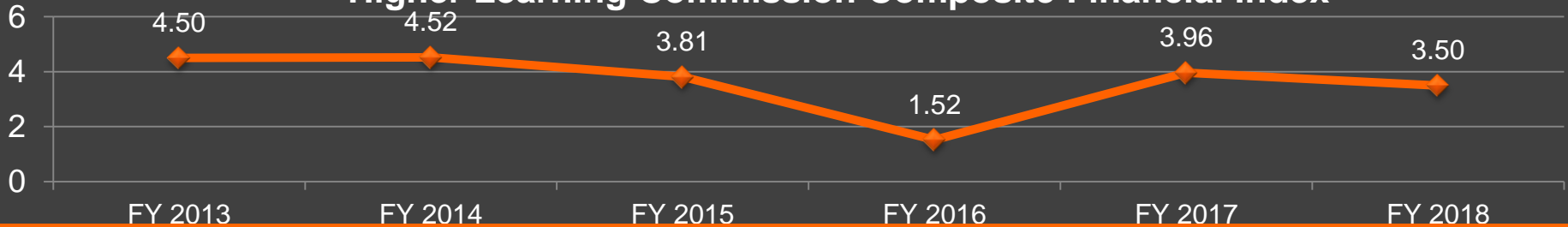
Projected Debt Burden Ratio



Debt Coverage Ratio



Higher Learning Commission Composite Financial Index



OSU has maintained stable credit ratings during a tumultuous time for credit ratings of the State of Oklahoma:

- Standard and Poor's Endowment = AA-
- Fitch = AA-
- Moody's = Aa3 and A1

Current OSU Debt = \$862 Million

Institutional Strategic Initiatives

General University will focus on the following initiatives:

- ❖ Student Recruitment and Success
- ❖ Competitive Faculty Salaries
- ❖ Classroom Utilization
- ❖ Research Excellence



Student Success

OSU continues to prioritize student success.

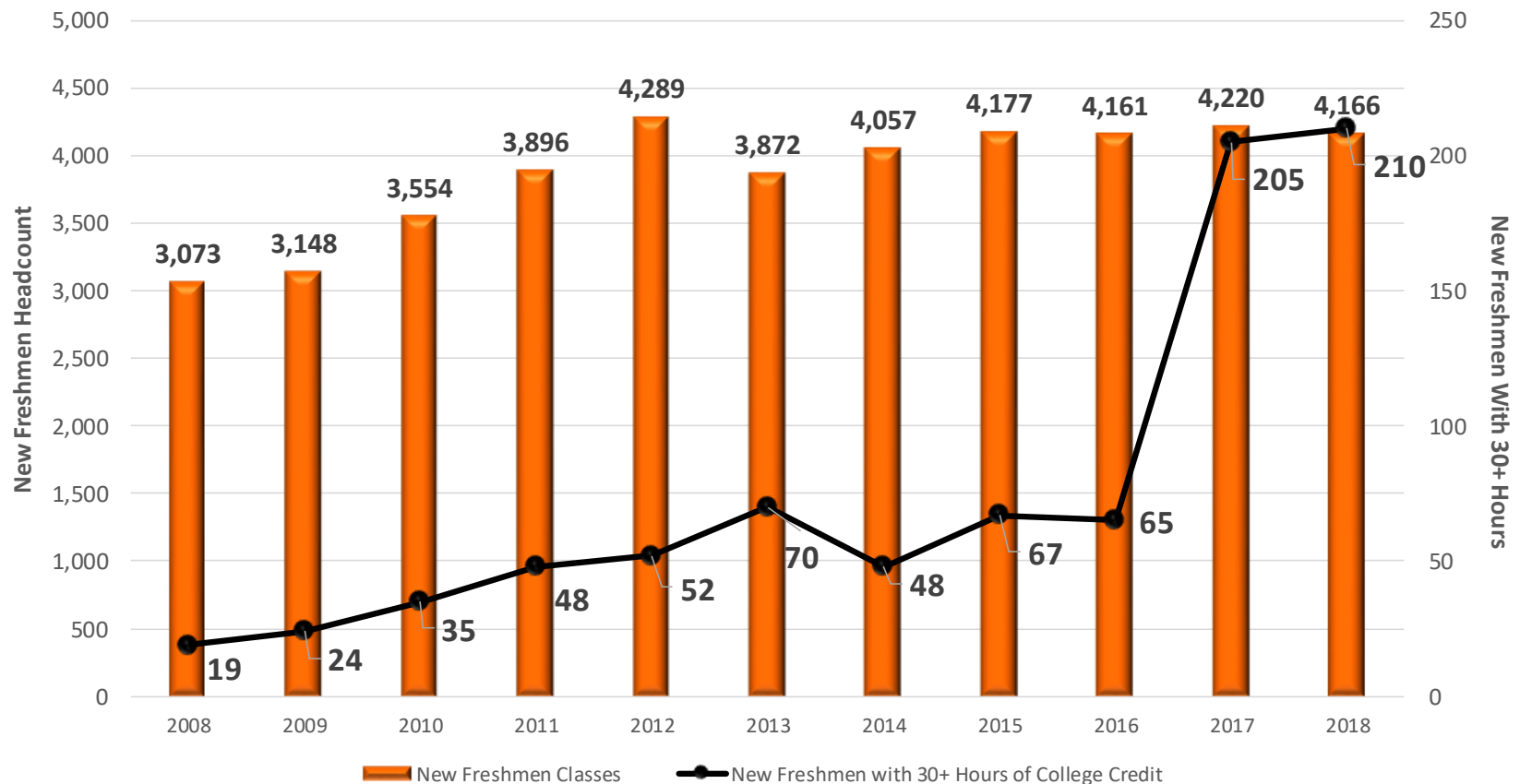
- ❖ “Finish in Four” – implemented in 2014 – has resulted in significantly improved 4-year and 5-year graduation rates:
 - 4-year graduation rate of 43.7% is an all-time high and marks an increase of 10 percentage points over the past 5 years
 - 5-year graduation rate of 60.4% is also an all-time high and marks an increase of 5 percentage points over the past 5 years
- ❖ Reducing time to degree from 6 years to 4 years benefits OSU students by reducing educational costs by 33%, lowering student debt and helping students enter the workforce more quickly. Reducing time to degree by 2 years results in the following savings in educational costs:
 - In-state students = \$23,000
 - Out-of-state students = \$54,000



Student Success

More “New Freshmen” are entering OSU with 30+ hours of college credit through concurrent and advanced placement (AP) enrollment.

New Freshmen Entering OSU with 30 or More Hours



Student Recruitment & Retention

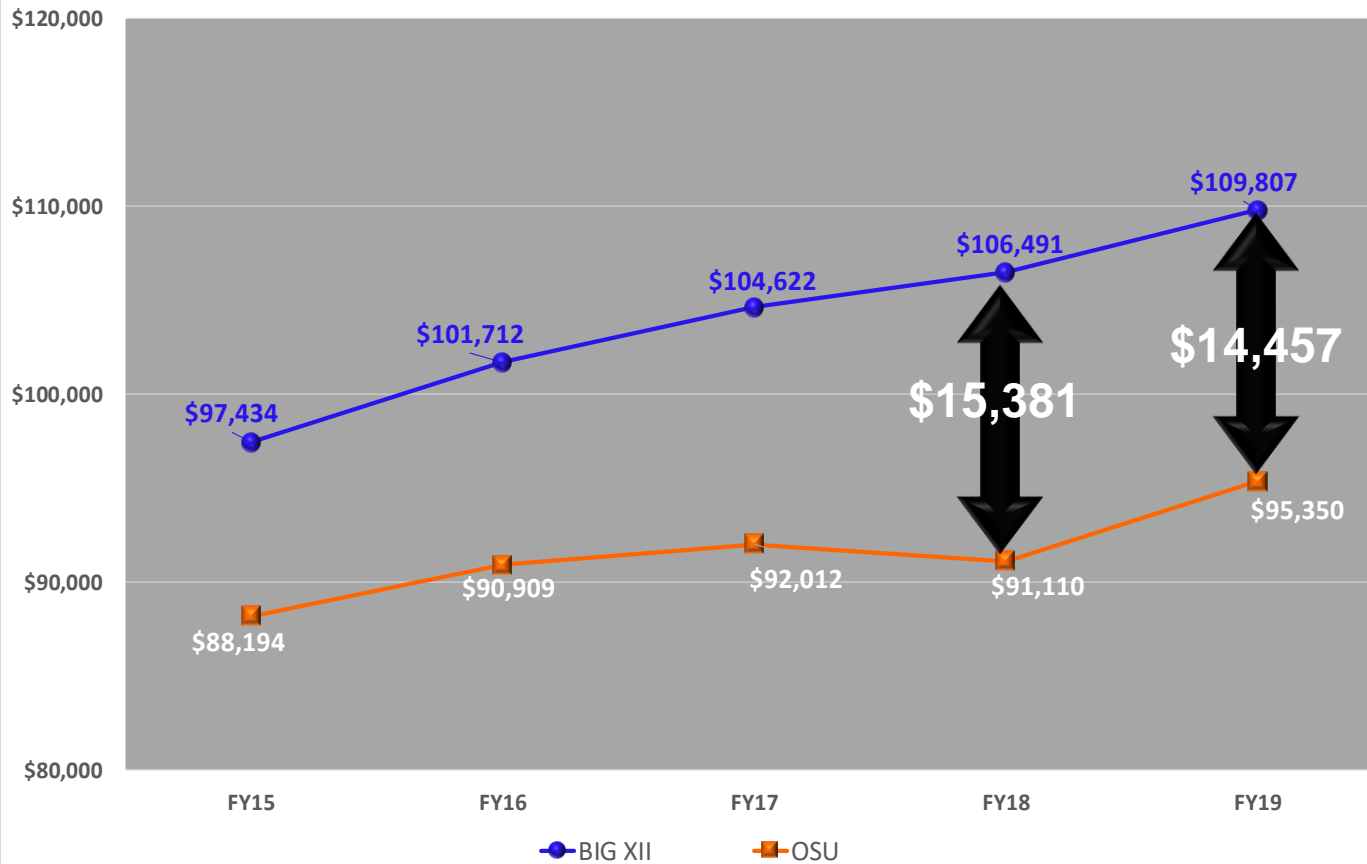
As graduation rates improve and time to degree is shortened, it is important to have strategies to maintain undergraduate enrollment through recruitment of new students and improved retention of existing students. Ensuring affordability is a major component.

- ❖ Ensuring continued affordability:
 - No increase in tuition and mandatory fee rates for FY 2020.
 - Nonresident waivers for both new freshmen and undergraduate transfers were increased.
 - Targeted populations were identified by Undergraduate Admissions to receive supplemental two-year waivers.
 - The First Year Success Office continues to provide support to freshmen experiencing financial difficulties in the form of financial counseling as well as monetary awards to aid in retention efforts.



Competitive Faculty Salaries

OSU Faculty Salaries compared with Big XII Average
5 Year Trend -- (Publics Only)



- ❖ Retaining & recruiting talented faculty continues to be difficult.
- ❖ Colleges funded targeted faculty salary increases in January of FY 2019 or July of FY 2020. These increases, along with promotion and tenure increases provided raises to almost 800 faculty and increased average faculty salaries by over \$4,000.
- ❖ The cost to get OSU faculty to the Big XII average in a single year is still approximately **\$13 million**.
- ❖ A special allocation will be available in FY 2020 to provide select faculty salary adjustments.

Classroom Utilization

❖ Instructional space is one of OSU's most significant resources. Steps to ensure we are fully utilizing this resource will include:

- A comprehensive review of classroom utilization rates, including both time and seat utilization rates, as compared to industry standards.
- Reviewing and updating University policies to reflect best practices for scheduling instructional spaces.



❖ This will provide necessary metrics and procedures to make informed decisions about University growth, capital classroom projects and future building renovations.

- ❖ OSU TIER 1 Research Initiatives is a University strategy to raise the research profile and reputation of OSU with the following goals:
 - Encourage collaboration across disciplines
 - Find solutions to important societal problems
 - Leverage institutional funding to acquire additional external funding.
- ❖ Phase 1 was the “Idea Competition” where research teams were invited to develop prospectuses to outline:
 - Societal problems to be addressed
 - Extent of relevant expertise at OSU
 - Types of external partners envisioned

21 teams submitted prospectuses, representing more than 245 faculty across OSU and OSU-CHS



❖ Phase 1 – Idea Competition

- 2 immediate TIER 1 Research Initiative designations:

THE DRONE INITIATIVE

DRONES SERVING OUR SAFETY AND ENVIRONMENT

- Weather forecasting
- Environmental monitoring
- Firefighting
- Health and safety

THE OPIOID INITIATIVE

ADDRESSING THE OPIOID EPIDEMIC

- Research arm of the Center for Wellness and Recovery
- Cause and effect of opioid use
- Effective interventions

- 4 teams awarded planning grants to develop a full application:

THE CARBON INITIATIVE

CAPTURE. STORE. REDUCE. REUSE.

- Mitigation of the state's carbon footprint

THE MICROBIOME INITIATIVE

CONNECTING THE MICROBIOME TO HEALTH

- Research into the medical, veterinary, dietary, and soil-management interventions of the microbiome

THE RURAL INITIATIVE

ENSURING THE FUTURE OF RURAL OKLAHOMA

- Enhancement of the natural, human and technological capital in rural populations

THE WATER INITIATIVE

ENSURING SUSTAINABLE WATER FOR OKLAHOMA

- Development of a comprehensive water technology research program to improve water sustainability and security



OSU America's Brightest **ORANGE**