

# FY 2021 Budget



June 18, 2020

# FY 2021 Budget Presentation

- ❖ FY 2021 Proposed Budget
- ❖ Proposed Student Costs
- ❖ Financial Indicators
- ❖ Research Activity Update
- ❖ COVID-19 Update & Fall 2020 Initiatives



# Items Presented For Approval

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

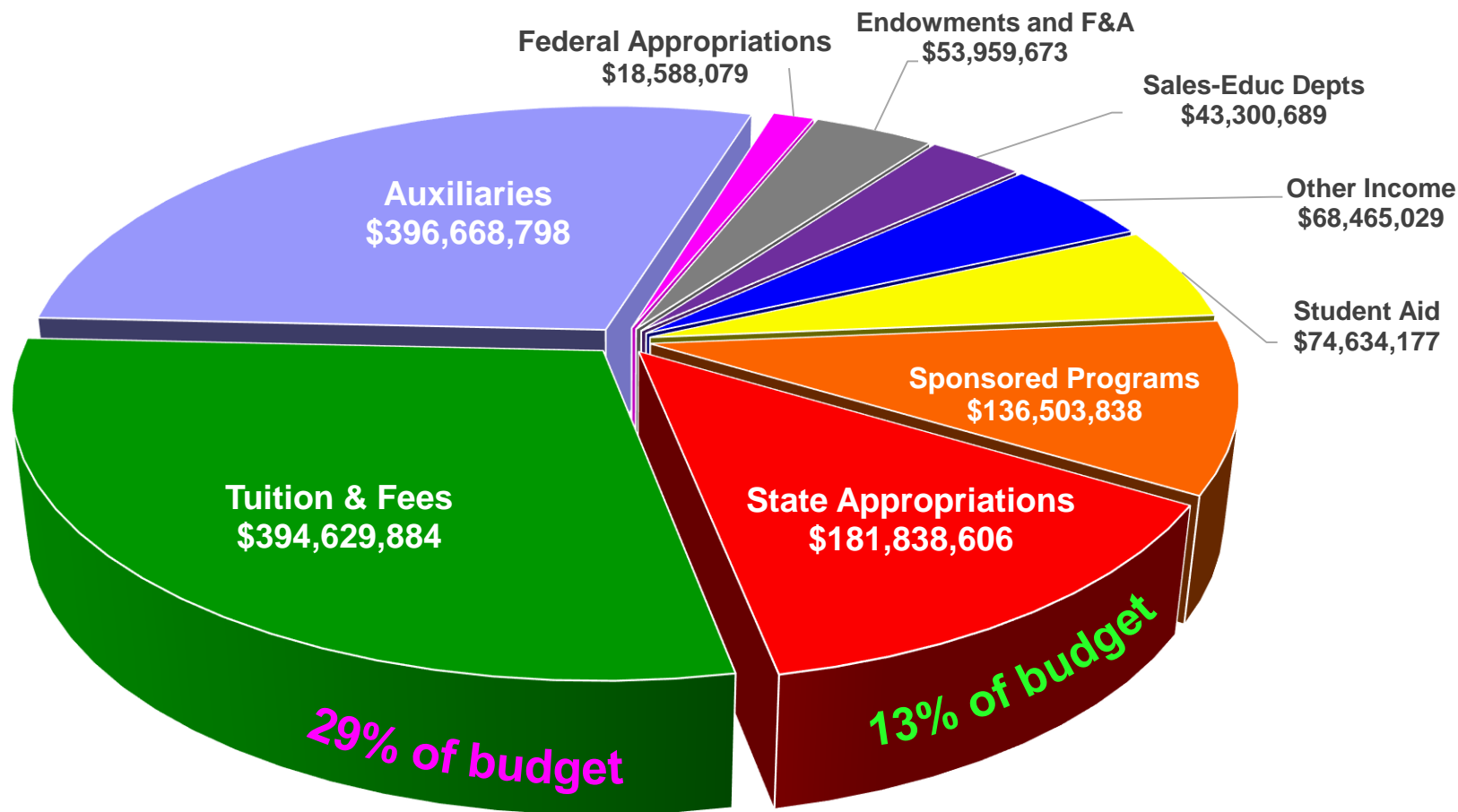


# FY 2020 vs. FY 2021 Total Budget

## All Agencies

Agency	FY 2020	FY 2021	\$ Change	% Change
General University	\$855,879,707	\$852,146,543	(\$3,733,164)	-0.44%
Oklahoma Agricultural Experiment Station	59,428,062	55,820,982	(3,607,080)	-6.07%
Oklahoma Cooperative Extension Service	47,513,869	46,997,310	(516,559)	-1.09%
OSU Institute of Technology	55,514,191	52,445,873	(3,068,318)	-5.53%
College of Veterinary Medicine	43,128,994	43,339,172	210,178	0.49%
Oklahoma City	74,455,338	55,053,455	(19,401,883)	-26.06%
Center for Health Sciences	227,417,366	243,684,546	16,267,180	7.15%
Tulsa	20,621,430	19,100,892	(1,520,538)	-7.37%
<b>Totals</b>	<b>\$1,383,958,957</b>	<b>\$1,368,588,773</b>	<b>(\$15,370,184)</b>	<b>-1.11%</b>

# Sources Of Revenue – All Agencies



**FY 2021 Total Revenue = \$1.4 Billion**  
**Estimated System Enrollment = 31,406**

# Requested Changes In Student Costs

## OSU System Proposed Tuition/Mandatory Fee Increases For FY 2021

Agency Tuition By Level & Residency	Proposed		Limit	Increase		
	Hour	Annual		Hour	Percent	Annual
<b>OSU Institute of Technology:</b>						
Undergraduate Resident	\$192.45	\$5,774	48.5%	\$7.45	4.0%	\$224
Undergraduate Nonresident	\$379.45	\$11,384	34.6%	\$7.45	2.0%	\$224
<b>Center for Health Sciences:</b>						
Master of Physician Assistant Studies Resident		\$16,244	83.1%	New professional master's program starting in FY 2021		
Master of Physician Assistant Studies Nonresident		\$32,244	93.7%			

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

# OSU Continues To Maintain Affordability

## OSU-Stillwater UG Resident Tuition/Mandatory Fee Increases:

FY 10 = 0.0% ★  
FY 11 = 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%  
FY 21 = 0.0% ★  
12-Yr. Avg. = 2.6%

4

Number of times in the past 8 years OSU has held tuition and mandatory fees level.

Decrease in state appropriations to GU over the past 8 years.

**\$30.5**  
**million**

Average annual tuition/fee increase over the past 12 years.

**2.6%**

# FY 2021 State Appropriations Are The Lowest Since FY 1996

## GU STATE APPROPRIATIONS (IN MILLIONS)

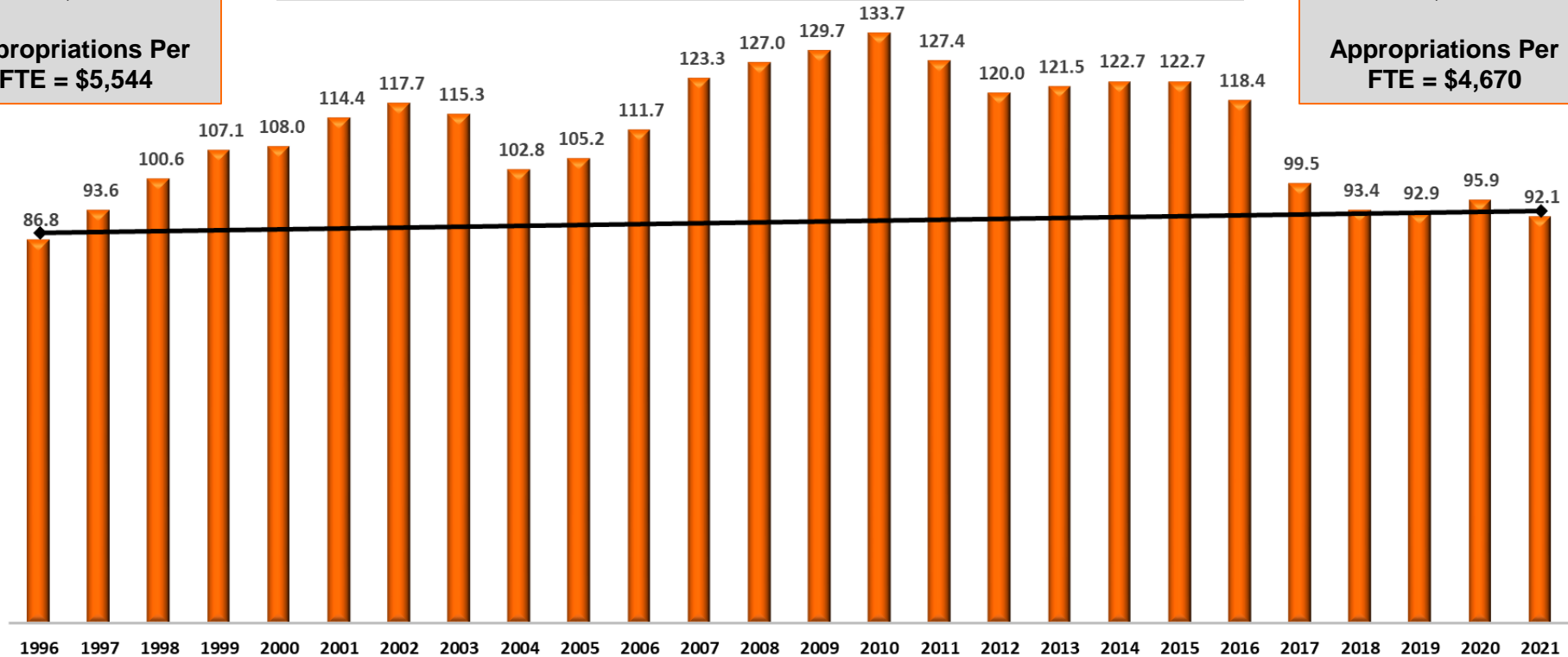
Enrollment Increase of 4,787 (▲ 26%)  
Appropriations Per FTE Decrease of -\$874 (▼ 16%)

Fall 1995 Enrollment  
18,080

Appropriations Per  
FTE = \$5,544

Fall 2019 Enrollment  
22,867

Appropriations Per  
FTE = \$4,670

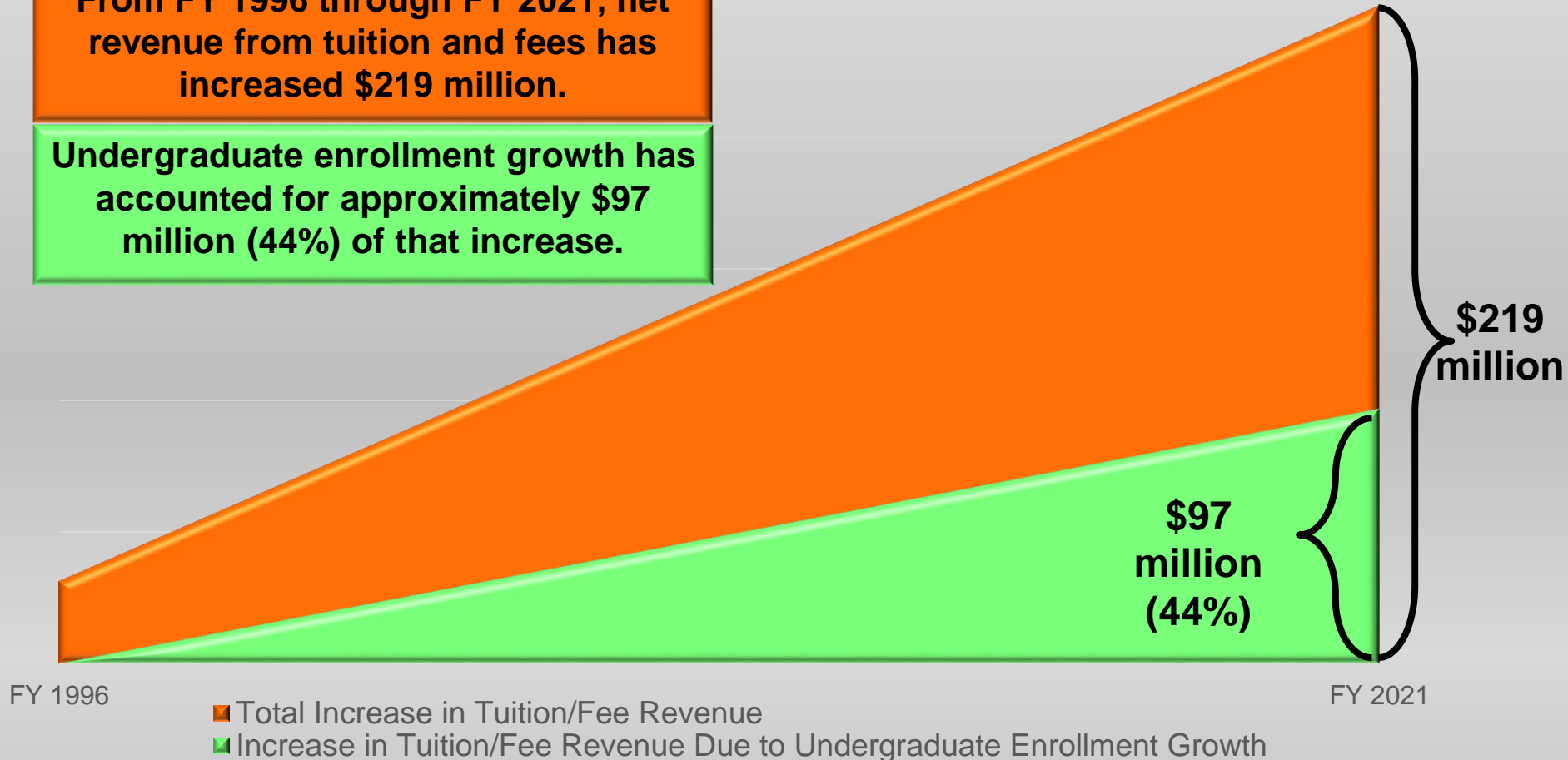




# Enrollment Growth And Rate Increases Account For Increased Tuition/Fee Revenue

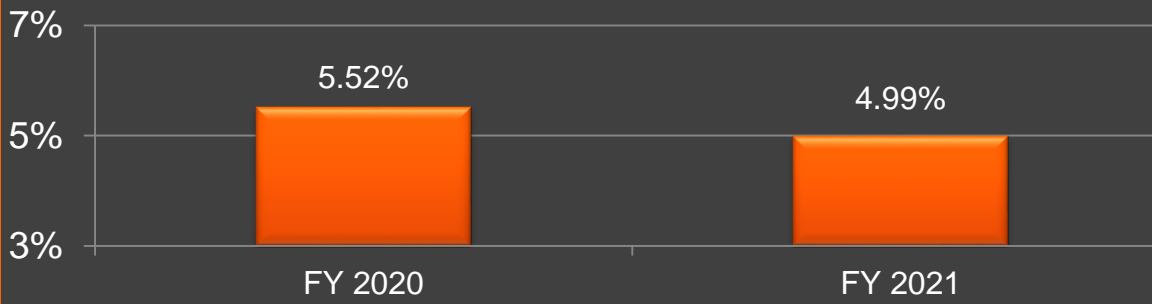
From FY 1996 through FY 2021, net revenue from tuition and fees has increased \$219 million.

Undergraduate enrollment growth has accounted for approximately \$97 million (44%) of that increase.

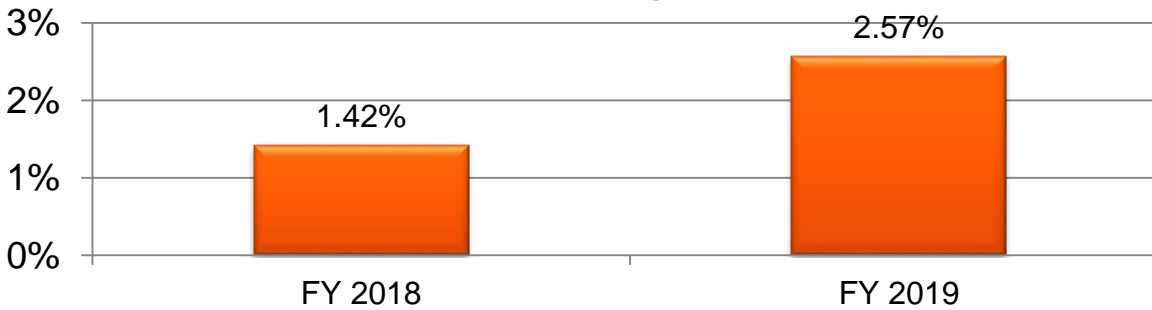


# Key Financial Indicators

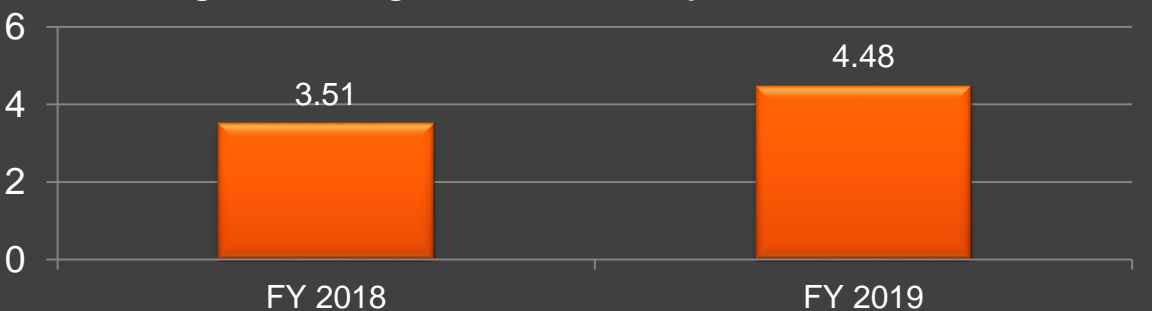
## Projected Debt Burden Ratio



## Debt Coverage Ratio



## Higher Learning Commission Composite Financial Index



OSU maintained stable credit ratings during an extremely challenging time for global credit markets experiencing widespread negative outlooks.

Standard & Poor's Endowment

**AA-**

Fitch

**AA-**

Moody's

**Aa3 and A1**

Current OSU Debt  
\$846.8 Million

# Additional Information On Debt

- ❖ Refunding opportunities for FY 2021:
  - Projects with principal totaling approximately \$21 million have been identified for potential refunding.
  - These refundings would move forward with savings at a level of \$637,000 or better.
- ❖ Over the past 4 years, OSU has refinanced 48.9% of our total debt.
- ❖ Projects to bond for Fall 2020 include:
  - North Hall / Medical Examiner project (CHS)
  - Ag Hall / New Frontiers
  - Art Education and Learning Center



## ❖ Final Selections for Tier 1 Research Initiatives

### 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

### THE RURAL INITIATIVE

ENSURING THE FUTURE OF RURAL OKLAHOMA

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

### THE MICROBIOME INITIATIVE

CONNECTING THE MICROBIOME TO HEALTH

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

*“Tier 1 Research Initiatives take our public mission to a higher level by coordinating across disciplines to tackle some of society’s challenges head-on.”*

# Research Excellence

## ❖ Grant Activity Year-to-Date for FY 2020 Compared with Same Period in FY 2019:

- **New Grants Received:**

	FY 2019	FY 2020	Change
Number Awarded	327	337	▲ 10
Total Dollars <i>(in millions)</i>	\$35.5	\$41.8	▲ \$6.3

- **Proposals Submitted:**

	FY 2019	FY 2020	Change
Number Submitted	854	868	▲ 14
Total Dollars <i>(in millions)</i>	\$243.4	\$257.1	▲ \$13.7



# Research Excellence – Recently Announced

❖ Lead by Dr. Ray Huhnke, OSU Regents Professor in Biosystems and Agricultural Engineering, a team of 34 researchers from OSU and other Oklahoma institutions have received a \$20 million National Science Foundation grant. The grant will:

- Support interdisciplinary research to benefit the state.
- Develop and test science-based solutions for complex problems at the intersection of land use, water availability and infrastructure.
- Encourage participation in the science, technology, engineering and mathematics (STEM) fields, resulting in a more educated and diverse workforce for Oklahoma.



# COVID-19 Updates And Fall 2020 Planning

- ❖ CARES Act Funding
- ❖ “Cowboys Coming Back” Plan for Fall 2020
  - Increased Cleaning and Disinfection
  - Social Distancing
  - Purchasing of Equipment and Supplies
  - Course Planning and Classroom Usage



# CARES Act Funding For OSU System

Agency	Emergency Financial Aid Grants	Institutional Grants	Other	Total
Stillwater/Tulsa (includes CVM)	\$8,382,863	\$8,382,862	\$0	\$16,765,725
OSU Institute of Technology	\$1,124,007	\$1,124,007	\$255,315 <sup>1</sup>	\$2,503,329
Oklahoma City	\$1,150,415	\$1,150,414	\$113,295 <sup>1</sup>	\$2,414,124
Center for Health Sciences	\$72,067	\$72,067	\$355,866 <sup>2</sup>	\$500,000
<b>Totals</b>	<b>\$10,729,352</b>	<b>\$10,729,350</b>	<b>\$724,476</b>	<b>\$22,183,178</b>

<sup>1</sup> OSU Institute of Technology and OSU Oklahoma City received additional CARES funding for Minority Serving Institutions (MSI's). Consistent with other CARES funding, amounts were divided equally between student aid and institutional support.

<sup>2</sup> OSU Center for Health Sciences received additional dollars through the Fund for the Improvement of Postsecondary Education (FIPSE) which made funds available to institutions receiving less than \$500,000 under CARES criteria.

- 50% of CARES funding went directly to student aid, while the remaining 50% was used for the following:
  - Reimburse refunds provided for student fees, housing, meal plans and parking permits.
  - Purchase of safety supplies (masks, hand sanitizer, cleaning supplies, etc.)
  - Technology related costs for:
    - Immediate transition to online education
    - Enabling employees to work remotely
    - Conducting academic advising and other student services virtually



