

# FY 2022 Budget



June 17, 2021

# FY 2022 Budget Presentation

- ❖ FY 2022 Proposed Budget
- ❖ Proposed Student Costs
- ❖ Financial Indicators
- ❖ Endowment Earnings and Endowed Chairs
- ❖ Research
- ❖ Higher Education Emergency Relief Fund (HEERF II and III)



# Items Presented For Approval

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

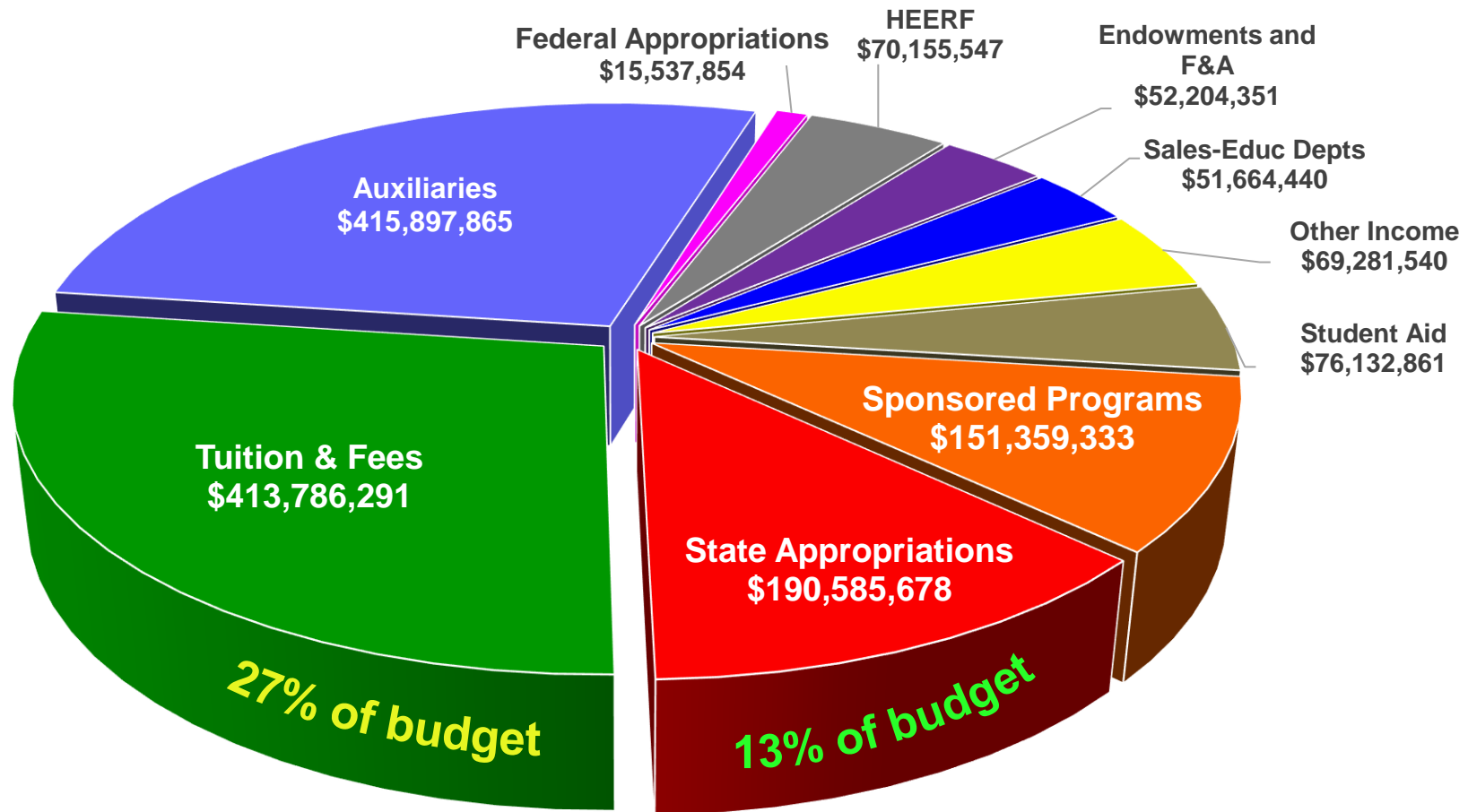


# FY 2022 State Appropriations

**OSU System received additional funds for targeted initiatives in workforce development for engineering, STEM, nursing and teacher education.**

Agency	FY 2021	FY 2022					Total	\$ Change	% Change
	Allocation	Allocation	Engineering	STEM	Nursing	Teacher Education			
General University	\$92,092,960	\$93,190,254	\$5,000,000		\$125,000	\$208,333	\$98,523,587	\$6,430,628	6.98%
Oklahoma Agricultural Experiment Station	19,840,590	\$20,070,654					20,070,654	\$230,064	1.16%
Oklahoma Cooperative Extension Service	21,584,491	\$21,799,160					21,799,160	\$214,669	0.99%
OSU Institute of Technology	10,893,804	\$11,164,000		100,000	125,000		11,289,000	\$395,196	3.63%
College of Veterinary Medicine	8,216,561	\$8,308,073					8,308,073	\$91,512	1.11%
Oklahoma City	9,531,453	\$10,057,312		100,000	371,868		10,429,180	\$897,727	9.42%
Center for Health Sciences	11,465,082	\$11,614,752					11,614,752	\$149,670	1.31%
Tulsa	8,213,665	\$8,551,272					8,551,272	\$337,607	4.11%
<b>Totals</b>	<b>\$181,838,606</b>	<b>\$184,755,477</b>	<b>\$5,000,000</b>	<b>\$200,000</b>	<b>\$621,868</b>	<b>\$208,333</b>	<b>\$190,585,678</b>	<b>\$8,747,073</b>	<b>4.81%</b>

# Sources Of Revenue – All Agencies



**FY 2022 Total Revenue = \$1.5 Billion**  
**Estimated System Enrollment = 33,415**

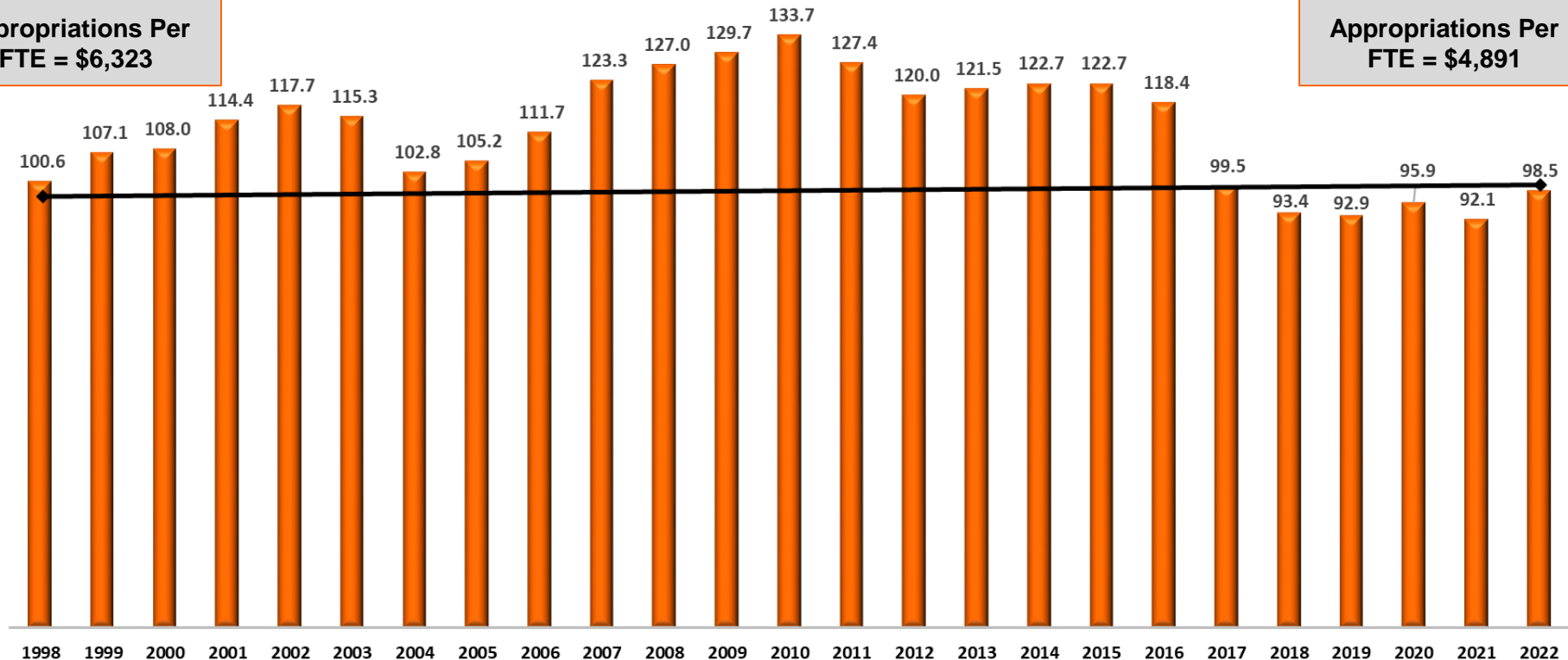
# FY 2022 State Appropriations Remain Lower Than FY 1998

## GU STATE APPROPRIATIONS (IN MILLIONS)

Enrollment Increase of 5,133 (▲28%)  
Appropriations Per FTE Decrease of  $-\$1,432$  (▼23%)

Fall 1997 Enrollment  
18,230  
Appropriations Per  
FTE = \$6,323

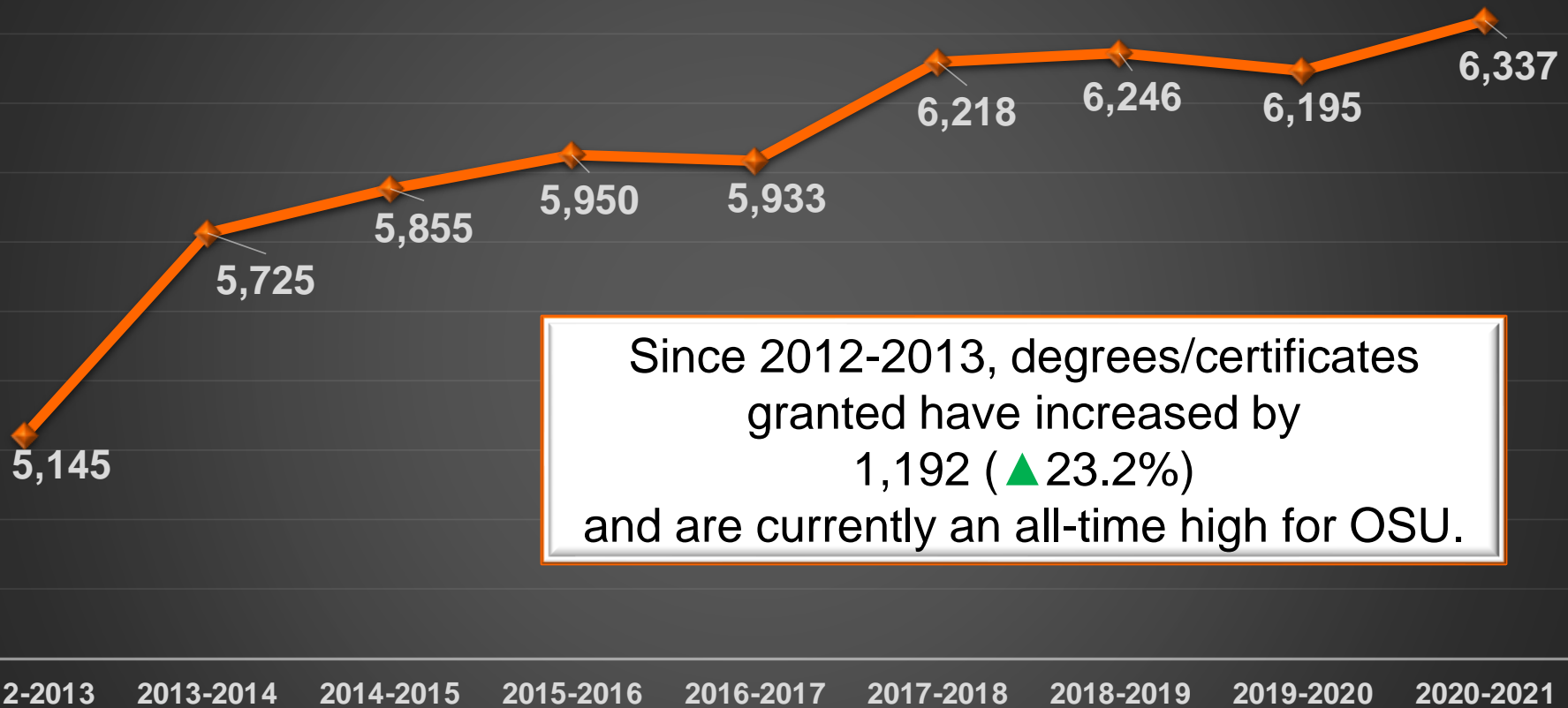
Fall 2020 Enrollment  
23,363  
Appropriations Per  
FTE = \$4,891



# OSU System Enrollment

Agency	Fall 2020 (actual)	Fall 2021 (projected)	Change	% Change
Stillwater	21,733	21,808	75	0.35%
Stillwater/Tulsa Shared	1,630	1,680	50	3.07%
Tulsa	634	677	43	6.78%
<b>Stillwater/Tulsa Total</b>	<b>23,997</b>	<b>24,165</b>	<b>168</b>	<b>0.70%</b>
College of Veterinary Medicine	408	416	8	1.96%
Oklahoma City	4,949	5,048	99	2.00%
Institute of Technology	2,349	2,361	12	0.51%
Center for Health Sciences	1,318	1,425	107	8.12%
<b>OSU SYSTEM TOTAL</b>	<b>33,021</b>	<b>33,415</b>	<b>394</b>	<b>1.19%</b>

# OSU Stillwater/Tulsa Degrees & Certificates Granted





# Requested Changes In Student Costs

## OSU System FY 2022 Proposed Tuition/Mandatory Fee Increases

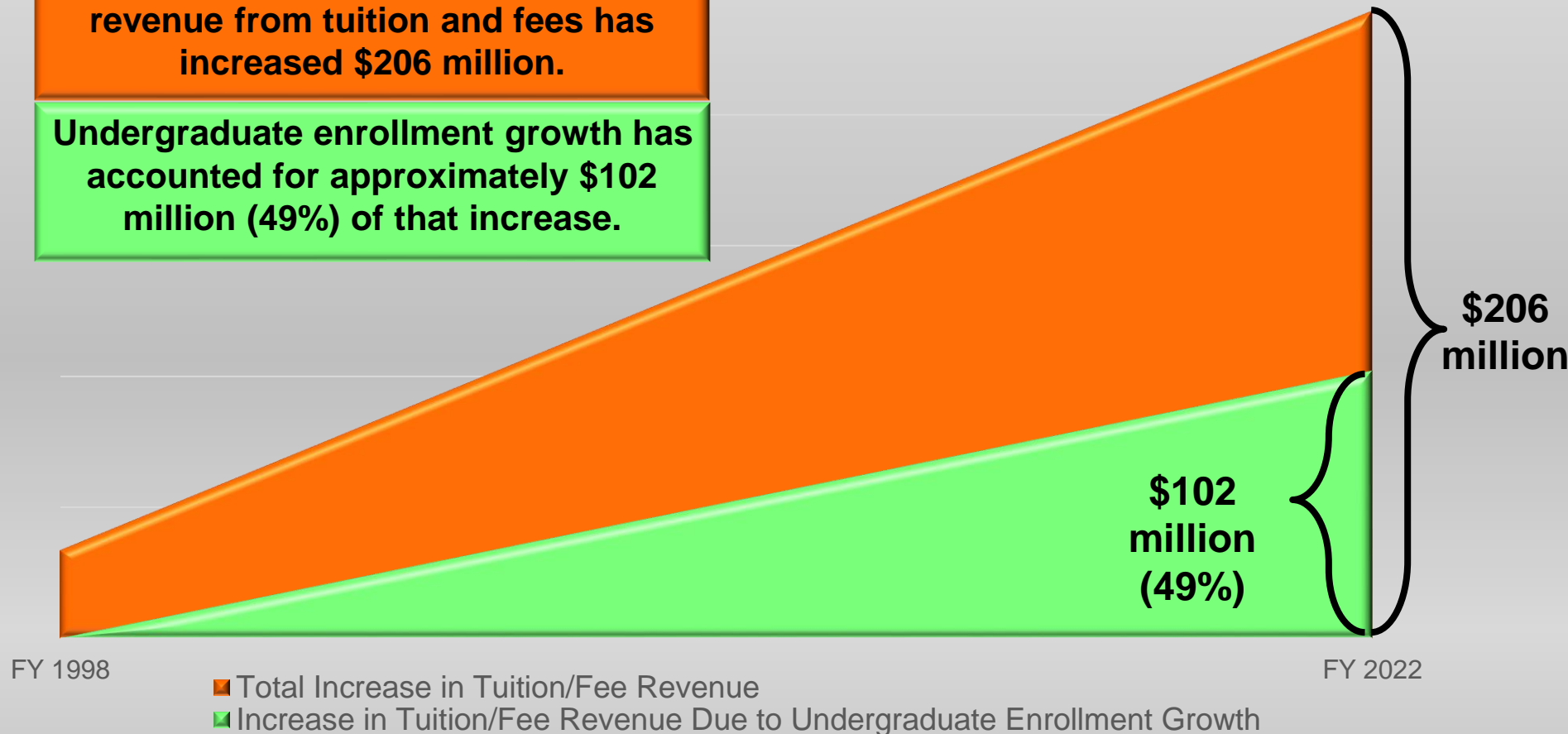
Agency Tuition By Level & Residency	Current		Proposed		% Peer Limit	Increase		
	Per-Credit Hour	Annual	Per-Credit Hour	Annual		Per-Credit Hour	Percent	Annual
<b>General University &amp; Tulsa:</b>								
Undergraduate Resident	\$300.60	\$9,018	\$308.10	\$9,243	73.7%	\$7.50	2.5%	\$225
Undergraduate Nonresident	\$817.95	\$24,539	\$825.45	\$24,764	73.0%	\$7.50	0.9%	\$225
Graduate Resident	\$352.50	\$8,460	\$361.35	\$8,672	78.3%	\$8.85	2.5%	\$212
Graduate Nonresident	\$998.45	\$23,963	\$1,007.30	\$24,175	94.1%	\$8.85	0.9%	\$212
Graduate Nonresident - Online Degree Programs	\$482.05	\$11,569	\$491.55	\$11,797	NA	\$9.50	2.0%	\$228
<b>College of Veterinary Medicine:</b>								
Resident		\$23,557		\$23,679	83.4%		0.5%	\$122
Nonresident		\$49,922		\$50,044	89.0%		0.2%	\$122
<b>Center for Health Sciences:</b>								
Graduate Resident	\$283.96	\$6,815	\$287.31	\$6,895	62.3%	\$3.35	1.2%	\$80
Graduate Nonresident	\$929.91	\$22,318	\$933.26	\$22,398	87.2%	\$3.35	0.4%	\$80
Graduate Nonresident - Online Degree Programs	\$398.31	\$9,559	\$402.31	\$9,655	NA	\$4.00	1.0%	\$96
Master of Physician Assistant Studies Resident		\$16,244		\$16,244	83.0%	\$0.00	0.0%	\$0
Master of Physician Assistant Studies Nonresident		\$32,244		\$32,244	93.1%	\$0.00	0.0%	\$0
Professional Resident		\$28,379		\$28,379	72.5%		0.0%	\$0
Professional Nonresident		\$55,881		\$55,881	81.4%		0.0%	\$0

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

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

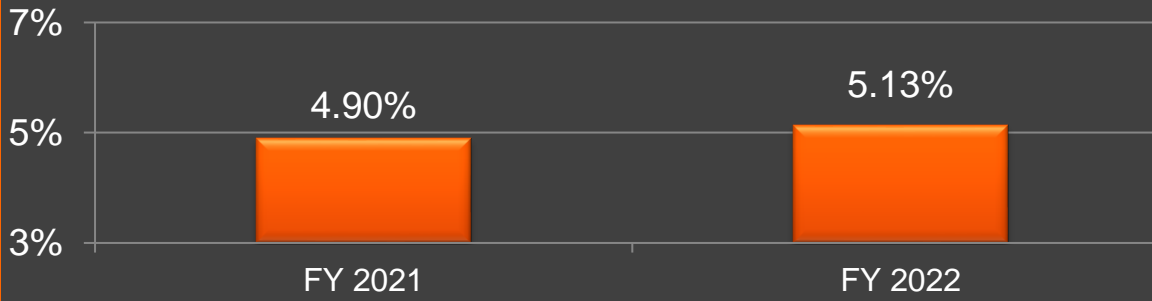
From FY 1998 through FY 2022, net revenue from tuition and fees has increased \$206 million.

Undergraduate enrollment growth has accounted for approximately \$102 million (49%) of that increase.

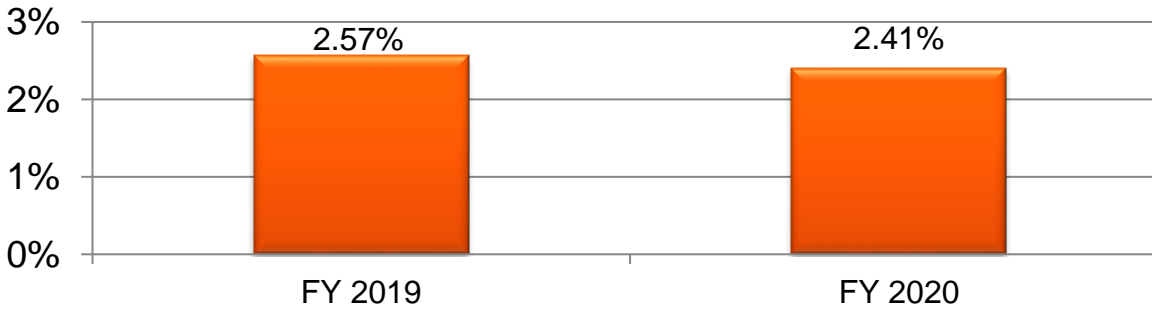


# Key Financial Indicators

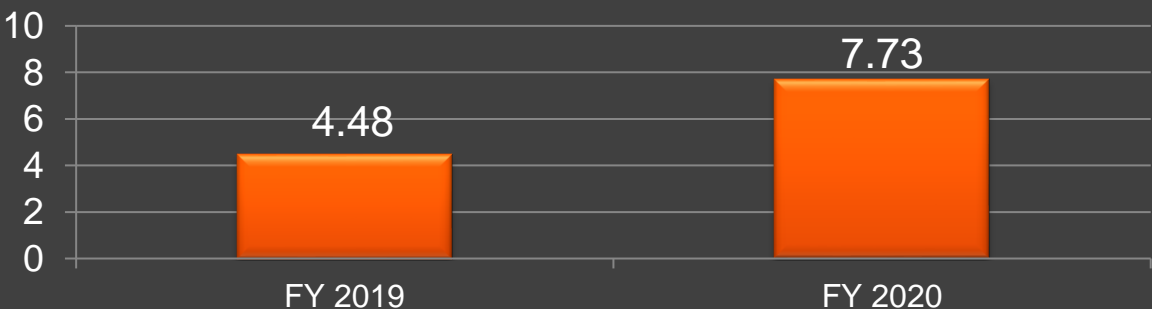
## Projected Debt Burden Ratio



## 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  
\$859.7 Million

# Additional Information On Debt

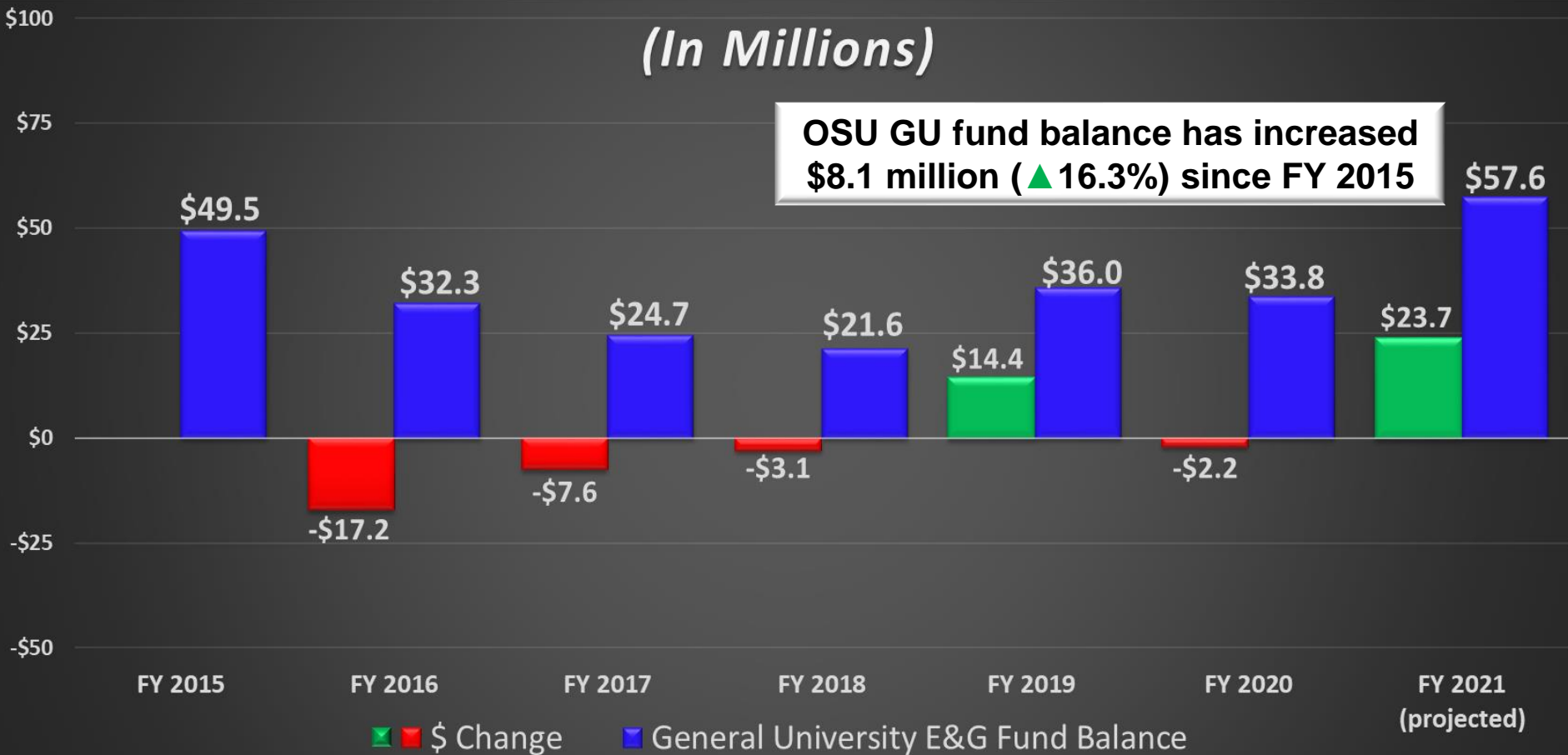
- ❖ Over the past five years, OSU has refinanced almost 65% of total debt for savings. Accordingly, debt refinancing going forward will be limited but still targeted for additional potential savings.
- ❖ Ten years ago, OSU was paying approximately 5.0% for 30-year tax-exempt debt. Currently, we are paying approximately 2.0%.
- ❖ Borrowing for FY 2022 is expected to include the New Frontiers building.



# General University Education & General Fund Balances

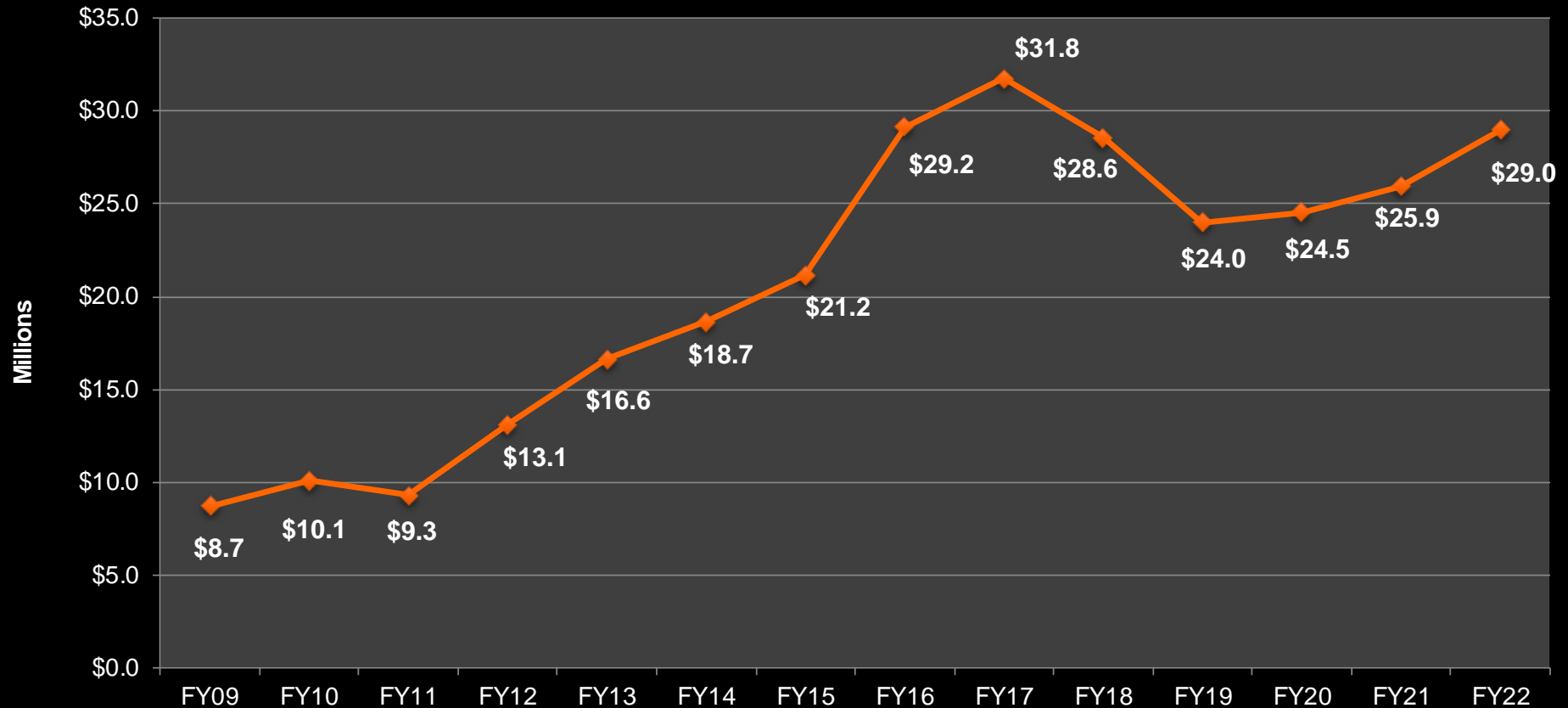
*(In Millions)*

OSU GU fund balance has increased \$8.1 million (▲ 16.3%) since FY 2015



# Budgeted Endowment Earnings

❖ In FY 2022, earnings utilized within the budget will increase by \$3.1 million (▲ 12%).



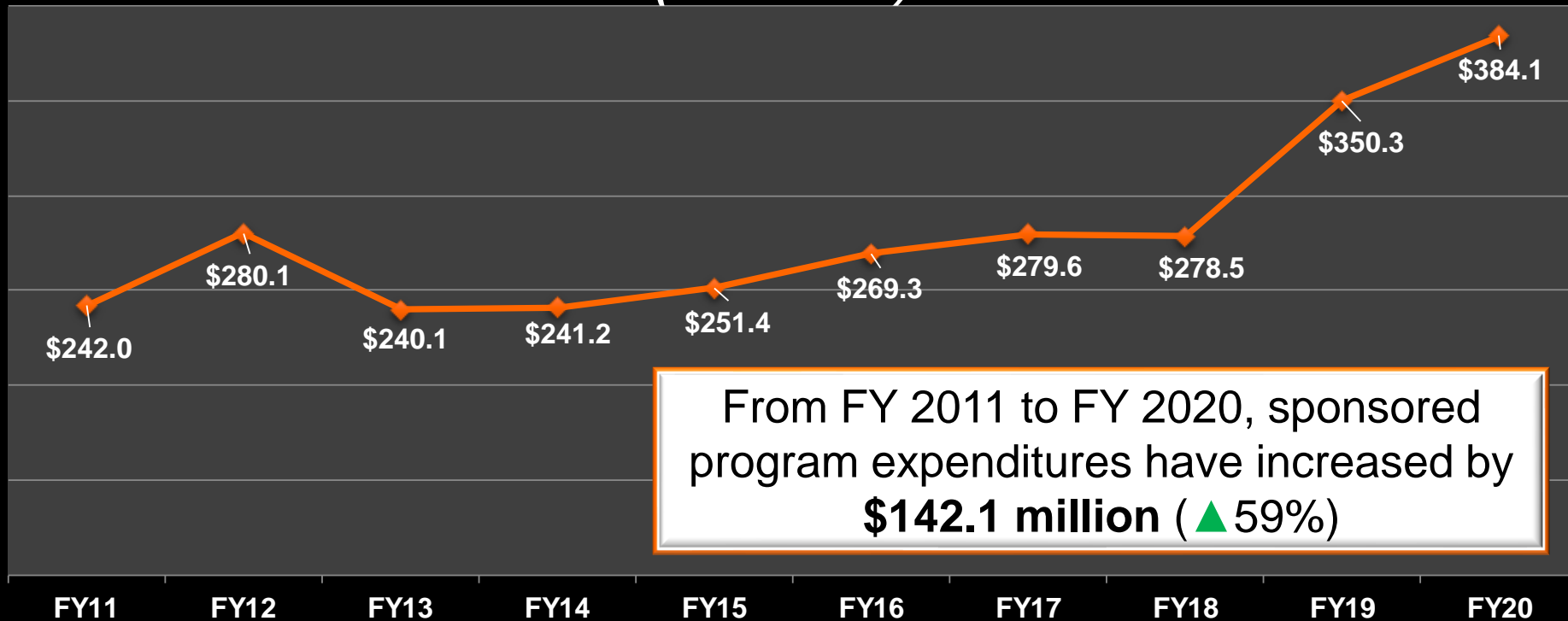
Endowment earnings incorporated into the institutional budget helps OSU minimize increases in student costs. The \$29.0 million being utilized in FY 2022 is the equivalent of a 15.7% increase in tuition and fee rates.

# Endowed Chairs/Professorships/Lectureships State Matching Program

- ❖ The State has allocated \$10.4 million to service bond issuance to fulfill the \$161 million state match commitment.
- ❖ OSU will receive an estimated **\$85 million** for the endowment accounts currently in the queue.
- ❖ This will fulfill funding for **124** endowed positions across the OSU System.
- ❖ With the existing 167 endowed positions already funded, OSU will have **291** endowed chairs/professorships/lectureships system-wide.

# Research Update

## OSU System Sponsored Program Expenditures (In Millions)





# Higher Education Emergency Relief Funds

Used for student aid and to reimburse expenses and/or lost revenue from 03/20 through 06/22

**HEERF II (OSU Stillwater/Tulsa) \$26,166,700**

Funds available beginning February 2021

Student Financial Aid Funding \$8,382,862

Reimbursement of lost revenue and COVID-related costs covered \$17,783,838

**HEERF III (OSU Stillwater/Tulsa) \$46,206,148**

Funds available beginning May/June 2021

Student Financial Aid Funding \$23,231,731

Reimbursement of lost revenue and COVID-related costs covered \$22,974,417





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