

Follow -Up Information

February 2026 Executive Budget Committee Meeting

FY 2026 Budget – Matt Morris and Cindy Schull

- I. State appropriations - For FY26 we received a 1.5% budget increase – with that, system wide we were at \$114,931,522 – Springfield operating budget \$105,928,813.21-with 3% withhold \$102,750,948.
- II. Interest income - Budgeted at \$6 Million & we expect \$6 Million this year.
- III. Operating reserves - Were at \$60.1 Million at the beginning of the year, as of December 31 we met projections & were at \$57.3 Million. That decrease in overall operating reserves was due to planned capital transfers of \$3 Million. Per University policy, the operating reserves are required to be at or above \$50 Million – so we are fine but must remain cautious.
- IV. Compensation and MOSERS changes - For FY26, we initially discussed a 1% raise which equated to \$1.5 Million. Per the suggestion of this committee, ultimately, we went with a \$600 across the Board raise for full-time employees. It was the same dollar amount overall but benefited those employees who are at less than \$60,000 annually.
- V. Tuition - For FY26, we budgeted a 4% increase for graduate/undergraduate & assumed flat enrollment overall. Due to the enrollment mix, overall net tuition figures (Operating tuition less institutional scholarships) were short \$3 million for the summer/fall semesters & based on recent year trends we estimated that the spring semester would be short \$4 million. Meeting held on census date – 2/17/26, so did not have final updated figures for Spring 2026.

FY 2027 Budget – President Williams, Matt Morris, Cindy Schull, and Dawn Medley

- I. State appropriations and MOSERS changes - For FY27, the Governor has recommended a flat appropriation for MSU. As anticipated, last September the MOSERS board did go forward with a rate increase of 1.75% - taking us to a 32% rate which will cost the Springfield campus \$2 million. So, between the flat appropriation and the MOSERS increase, we are beginning the budget process \$2 million in the hole.
- II. History of tuition increases – Between 2015-2024, the 10-year average inflation increase has been 3% At the same time our tuition & fees have increased 4.3%. The reason the rates have increased above the inflation amount is due to student initiative fees implemented during those years. For calendar year 2025 the inflation rate was 2.7%. We are recommending a starting point of a 3% increase in tuition.