

Exec Budget committee notes

2/17/26 meeting

Executive budget committee page on website:

<https://www.missouristate.edu/BudgetProcess/Executive/default.htm>

FY2026 budget – VP Matt Morris and Cindy Schull

- Last year's state increase was 1.5%
- Interest earnings are on track for projected (6%)
- Operating reserves are down due to capital expenditures
- \$600/person raise last year, cost ~\$1.5 million
- Decrease/undershooting of budget by \$3 million in fall and \$4 million in spring (\$7 million total) is largely due to the mix and decrease in graduate and international
- Enrollment
 - Cycle is 18-24 months to build an incoming class
 - Old strategy is that recruitment started in August of senior year and was hyper-focused on local/area students
 - Better/more data coming from Egon's unit
 - Expectation is that enrollment for fall '26 will be similar to fall '25, but hope is that it increases a bit, due to scholarship adjustments and recruitment changes
 - "Enrollment cliff" from 2008/2009 financial crisis is arriving, as well
 - Working on "silver buckshot" approach to enrollment growth, rather than "silver bullet" – outreach in and out of state, graduate funding adjustments, transfer recruitment, etc.
- Census (comes out at 5pm today) – preliminary results show that we hit the projections (which weren't great), so budget information that has been shared is pretty accurate
- State appropriations
 - Governor has proposed flat funding for higher education this year. We're looking at this as a win.
 - However, there's a \$2.2 million MOSERS mandatory increase and no MO Excels or capital improvement funding
- Currently anticipating a rough two years ahead
- Tuition and fees
 - See attached materials for chart w/ tuition and fees changes

- It's worth noting that college/major fees aren't included in this, only central budget fees (not College-related fees)
- There was quite a bit of discussion on non-central fees (it hurts students, hurts transparency with DoE, etc.) and possibly movement towards simplifying them. Faculty representatives pushed back about online teaching fee (unless it goes to faculty) or possibility of College fees *not* going back to College b-funds
- Tuition and fees are around the middle of MO public universities. They anticipate an increase (at least 3%, possibly 5+% to cover the MOSERS increases) to meet cost of living, and are feeling out the Board of Governors and other institutions
- Compensation
 - Fringe rate is currently just under 50%
 - Lots of information (shared previously and again) in the attached documents about history of raises, CUPA data, etc.
 - CUPA update: data submitted in January, get it back March 1, takes time to process and get it to a useful form for Institutional Research and HR.
 - I asked and may get some data from IR or HR about what and where lines have been eliminated or gone unfilled
- Big questions and next steps
 - Questions and discussion about what's next given the current realities
 - Frank discussion about academic programming and how best to use resources;
 - Athletics changes/upgrades and capital improvements were a result of increased COVID funds and reserves during that time and accompanying fed/state/grant/donor funding opportunities. That's done for now and we're back to where we were prior to COVID in terms of reserves
 - Board of Governors tasked President (and cabinet) with right-sizing and those conversations are happening and being extended to the executive budget committee.