



BOARD OF TRUSTEES

Board of Trustees Special Meeting

June 17, 2024



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Agenda

- **Tuition and fees presentation**
 - FY2024-2025 state budget proposals
 - NMU competitive tuition and fees
 - Strategic budget goals – FY2024-2025
 - Projected university investments and cost increases – FY2024-2025
- **FY2024-2025 recommended tuition and fee rates**
 - Recommended FY2024-2025 undergraduate tuition and fee rate adjustment
 - Recommended FY2024-2025 detailed tuition and fee rates



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FY2024-2025 State Budget Proposals

| State Budget Factors: Base appropriation + ITW | State Budget | Tuition Restraint Language |
|---|----------------------|---|
| Executive Budget | 2.5% (\$1.4 million) | 5.0% (\$342 per sem.) or hard dollar cap of \$390.50 per sem. |
| House Budget | 3.3% (\$1.8 million) | 4.5% (\$308 per sem.) or hard dollar cap of \$351.50 per sem. |
| Senate Budget | 2.5% (\$1.4 million) | 4.5% (\$308 per sem.) or hard dollar cap of \$351.50 per sem. |

For planning purposes, we are currently using:

- Executive Budget for operations increase and the House/Senate tuition restraint language

Conference Committee:

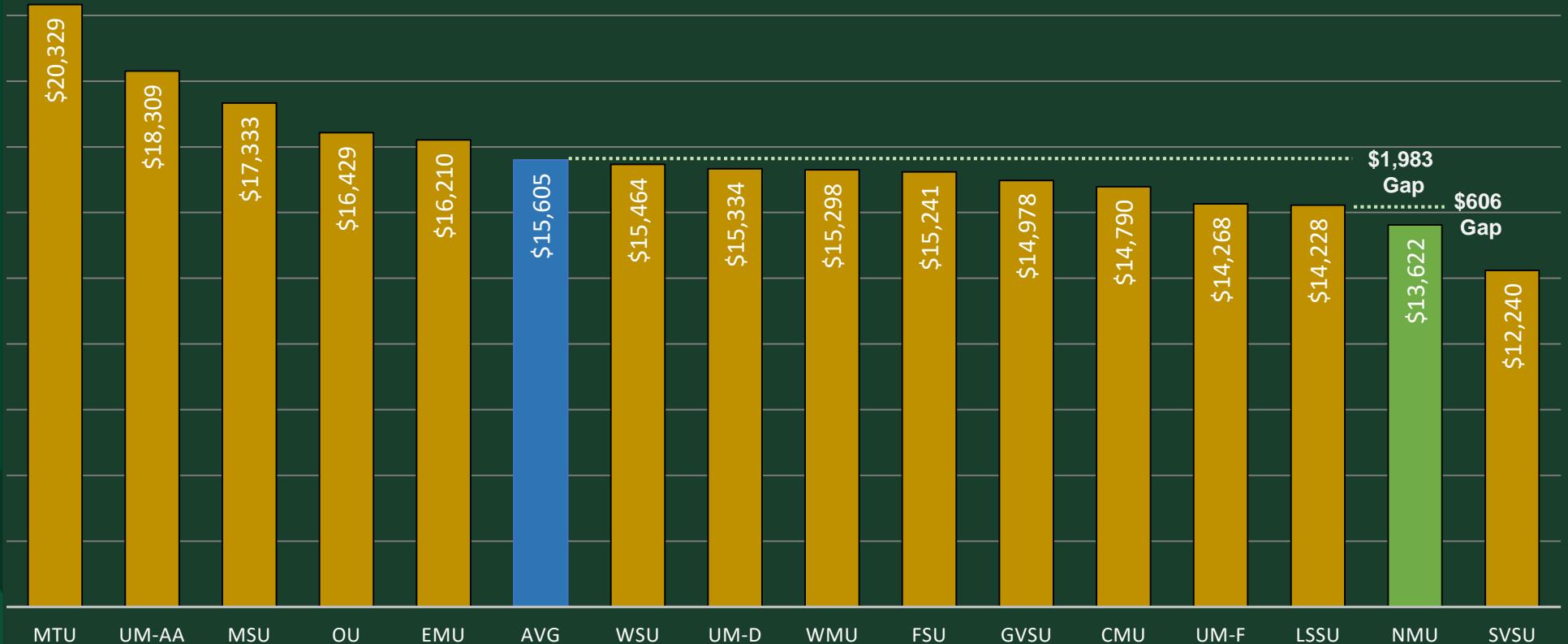
- Typically between May and June
- Sometimes process will go until September 30



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NMU Competitive Tuition and Fees

FY2023-2024 Annual Resident Undergraduate Tuition and Fee Rates





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Strategic Budget Goals – FY2024-2025

- Maintain competitive tuition and fees (currently 2nd lowest in the state)
- Investments in faculty and staff
- Removing barriers to student access
- Increases in supplies, materials and equipment
- Investments in university infrastructure
- Maintain financial sustainability and strength of the university



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Projected University Investments and Cost Increases – FY2024-2025

- **Investments in faculty and staff:**
 - Significant investment in faculty from AAUP MOU
 - Annual contractual increases
 - Investment in new positions
 - Projected healthcare cost increases
- **Removing barriers to student access:**
 - Investments in NMU Tuition Advantage, Bridge Award, and need-based funding
 - Elimination of undergraduate application fee
- **Increases in supplies, materials and equipment:**
 - Increase in lab and classroom supplies
 - Inflationary cost adjustments for software, supplies, and travel
- **Investments in university infrastructure:**
 - Increase in debt service for new academic facilities
- **Projected net expenditure budget impact: \$6.0M**



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Recommended FY2024-2025 Undergraduate Tuition and Fee Rate Adjustment

Recommended Adjustment:

FY2024-25 Average Resident Undergraduate
Tuition and Fee Rate Increase

\$351 per semester

Recommended Tuition and Fee Rate:

FY2024-25 Average Resident Undergraduate
Tuition and Fees after Adjustment

\$7,197 per semester

Should the tuition cap be lowered in the final FY2024-25 State Budget, it is also recommended that the Board authorizes the administration to adjust tuition and fees accordingly to remain in compliance.



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Recommended FY2024-2025 Detailed Tuition and Fee Rates

Proposed undergraduate tuition rate increase

- Resident and nonresident lower division rate increases by \$330 per semester
- Resident and nonresident upper division rate increases by \$342 per semester

Other proposed rate changes

- Extension/online undergraduate increases are the same as on-campus
- Graduate tuition increases by \$34 per credit
- Student athletic fee (one-time fee) increase of \$12
- Student activity fee increase of \$13.88 per semester (recommended increase voted on by students in Winter 2024 semester)
- Student recreational pass fee (refundable) increase of \$3 per semester
- Differential tuition increases:
 - Art & Design, Natural Sciences, and TOS: \$1 per credit
 - Business, Clinical Lab Sciences, Music, and Nursing: \$2 per credit