

**BOARD OF TRUSTEES  
MINNESOTA STATE COLLEGES AND UNIVERSITIES**

**INFORMATION ITEM**

**FY 2010-2011 Operating Budget Including Tuition and Fees  
SUPPLEMENTAL BOARD REPORT**

At the time the May report to the committee was written, a higher education conference committee was appointed and discussions were occurring on the differences between the House and Senate bills. The conference committee completed its work, and a higher education bill was forwarded and signed by the governor. The following information replaces the material contained in the committee report previously provided.

**BACKGROUND**

The System is continuing budget planning for the 2010-2011 biennium. Three principles are guiding the System's academic and financial planning work:

- The Chancellor and system leadership will seek to make decisions in a way that best serves students;
- Decisions will strive to take into account the System's mission to serve the economic development needs of the state and its communities; and
- Planning will take a multi-year approach, positioning the System for long-term financial viability.

The purpose of this report is to provide the Board of Trustees with additional information related to operating budget planning so that the Board will be better informed when making a final decision on the fiscal year 2010 operating budget including tuition recommendations. Board discussion will focus on budget planning parameters, use and distribution methods for stimulus funds and tuition parameters.

**2010-2011 Legislative Negotiations**

Both the House and Senate passed the conference committee higher education bill for fiscal years 2010 and 2011, and the bill has been signed by the governor. The governor line-item vetoed three items contained in the final conference committee bill. Two vetoed items impact the System: \$1 million each year for the Power of You program and \$40,000 each year for the Cook County Higher Education Board.

Based on the final higher education bill, the System will receive a \$93.7 million general fund reduction and \$79.2 million in federal stimulus funds – a net reduction of \$13.5 million from forecast. (Table 1) The outlook for fiscal years 2012 and 2013 has the System's general fund base at \$654.9 million each year (\$63.0 million reduction from forecast).

**Table 1**

**Governor/House/Senate/Final Bill  
Fiscal Years 2010-2013 Base Appropriation  
Minnesota State Colleges and Universities**

(\$ in thousands)

	2009 fed funds	2010 base	2011 base	Biennial total	Fed funds 09-11	2012 base	2013 base	Biennial total	2010- 2011 change from forecast	2012- 2013 change from forecast
<b>Governor – Forecast*</b>		<b>686,397</b>	<b>686,397</b>	<b>1,372,794</b>						
Governor ARRA funds	3,469	600,694 65,000	600,694 65,000	1,201,388 130,000	133,469	608,597	608,597	1,217,194	(161,806)	(146,000)
Total		665,694	665,694	1,331,388	1,334,857					
House ARRA funds	3,469	600,694 65,189	600,694 65,189	1,201,388 130,378	133,847	654,454	654,454	1,308,908	(161,806)	(54,286)
Total		665,883	665,883	1,331,766	1,335,235					
Senate ARRA funds	15,578	615,362 60,062	644,038 -	1,259,400 60,062	75,640	627,802	627,802	1,255,603	(103,794)	(107,591)
Total		675,424	644,038	1,319,462	1,335,040					
<b>Final bill ARRA funds</b>	<b>15,273</b>	<b>613,912 63,893</b>	<b>666,218 -</b>	<b>1,280,130 63,893</b>	<b>79,166</b>	<b>654,887</b>	<b>654,887</b>	<b>1,309,774</b>	<b>(92,664)</b>	<b>(63,020)</b>
<b>Total</b>		<b>677,805</b>	<b>666,218</b>	<b>1,344,023</b>	<b>1,359,296</b>					
General Fund change from forecast		(72,485)	(20,179)	(92,664)						
Total fund change w/ARRA funds from forecast		(8,592)	(20,179)	(28,771)	(13,498)					

\*The governor's forecast has been adjusted to reflect the transfer of the Learning Network of Minnesota from the Office of Higher Education to the Minnesota State Colleges and Universities.

Legislative leaders and the governor are now engaged in final negotiations. The governor has announced his intention to exercise his “un-allotment” authority if the final conference committee reports are unacceptable to him. By law, the un-allotment is one-time and would impact fiscal year 2011. The un-allotment to higher education could potentially be somewhere around \$146 million, up to the limits dictated by the American Recovery and Reinvestment Act of 2009 (ARRA).

## **Budget planning parameters**

Colleges and universities are taking a multi-year approach to budget planning. Budget discussions/consultations have been and will continue to be ongoing with both the campus communities and System constituents culminating with a request to the Board of Trustees for approval of the fiscal year 2010 operating budget at its July 2009 meeting. During its meetings, the Finance, Facilities and Technology Committee has received updates to the budget planning process to assist with discussion and guidance that has been provided to the Vice Chancellor – Chief Financial Officer.

Labor negotiations for the System's largest bargaining units have been completed for the 2010-2011 biennium. Compensation inflationary cost increases will generally be limited to insurance rate increases in the second year. With compensation expenses in excess of 70 percent of the general fund budget, limiting compensation cost increases is a critical part of balancing the 2010-2011 operating budgets.

Budget scenarios have been presented to the Finance, Facilities and Technology Committee modeling the governor's budget recommendation and tuition and inflationary cost assumptions. Scenario A below in Table 2 assumed the governor's initial budget recommendation of \$146 million reduction in appropriation, a 4 percent tuition increase, and no inflationary cost increase. The System was projecting a \$66 million budget gap.

The budget planning parameters were adjusted when the governor released a revised budget recommendation in March 2009. Scenario B below includes the adjusted planning parameters of the governor's revised budget recommendation of \$162 million reduction in appropriation, a 5 percent tuition increase, and modest inflationary cost increases. The System was projecting a \$127 million budget gap. Scenario C represents the current financial framework for the System's operating budget. Using the appropriation levels in the higher education bill (\$83 million appropriation reduction), a 5 percent tuition increase, and modest inflationary cost increases, the System is now projecting a \$49 million budget gap. With the availability of ARRA funds, the gap would be reduced to \$9 million.

Based on our understanding of conversations that have occurred in the final hours of the legislative session, the System is anticipating a \$70 million un-allotment in fiscal year 2011. The language in the higher education bill related to tuition mitigation was revised in a separate deficiency bill so that an additional portion of the ARRA funds would be re-programmed to college and university budget support rather than tuition mitigation in fiscal year 2011. Scenario D includes a further reduction of \$70 million of appropriation resulting in a projected budget gap of \$119 million. With the availability of ARRA funds, the gap would be reduced to \$66 million.

**Table 2**

**Minnesota State Colleges and Universities  
Financial Framework:  
2010-2011 General Operating Budget Planning**

(\$ in millions)

	<b>2009 Budget (doubled)*</b>	<b>Scenario A: 2010-2011</b>	<b>Scenario B: 2010-2011</b>	<b>Scenario C: 2010-2011</b>	<b>Scenario D: 2010-2011</b>
<b>Assumptions:</b>					
State appropriation		(\$146)	(\$162)	(\$83)	(\$153)
Tuition		4%	5%	5%	5%
Compensation/other operating inflation		0%	1% comp; 3% ooc	1% comp; 3% ooc	1% comp; 3% ooc
<b>Revenue:</b>					
State appropriation	\$1,363	\$1,217	\$1,202	\$1,280	\$1,210
Tuition	\$1,295	\$1,373	\$1,394	\$1,394	\$1,394
Other	<u>\$216</u>	<u>\$216</u>	<u>\$216</u>	<u>\$216</u>	<u>\$216</u>
<b>Projected revenue</b>	<b>\$2,874</b>	<b>\$2,806</b>	<b>\$2,812</b>	<b>\$2,890</b>	<b>\$2,820</b>
<b>Expenses:</b>					
Compensation	\$2,107	\$2,107	\$2,138	\$2,138	\$2,138
Other operating	<u>\$766</u>	<u>\$766</u>	<u>\$801</u>	<u>\$801</u>	<u>\$801</u>
<b>Projected expenses</b>	<b>\$2,873</b>	<b>\$2,873</b>	<b>\$2,939</b>	<b>\$2,939</b>	<b>\$2,939</b>
<b>Projected budget gap</b>	<b>\$1</b>	<b>(\$66)</b>	<b>(\$127)</b>	<b>(\$49)</b>	<b>(\$119)</b>
<b>Gap as % of FY2009 budget</b>		<b>-2%</b>	<b>-4%</b>	<b>-2%</b>	<b>-4%</b>
ARRA funds					
C/U operating budget			\$101	\$40	\$53
Tuition mitigation			<u>\$33</u>	<u>\$39</u>	<u>\$26</u>
<b>Total ARRA funds</b>			<b>\$134</b>	<b>\$79</b>	<b>\$79</b>
<b>Net projected budget gap</b>			<b>(\$26)</b>	<b>(\$9)</b>	<b>(\$66)</b>

The Chancellor and Vice Chancellor – Chief Financial Officer had directed the colleges and universities to reach a structural balance at the beginning of fiscal year 2012 targeting the governor’s planning estimate of \$608.6 million (\$1,217 million for biennium). The presidents understood that this was a conservative approach but was best for the System. This meant that the base budget had to be reduced approximately \$50 million (prior to any new tuition or inflationary cost increases) by the end of fiscal year 2011 to a level slightly lower than fiscal year 2009.

The higher education bill provides the System with a fiscal year 2012 base appropriation of \$655 million (\$1,310 million for biennium), approximately \$46 million (\$92 million for biennium) higher than the governor’s budget recommendation. (Table 3) This appropriation level provides a challenge to the System. The System would be at risk if it used the bill’s target and the target did not materialize. If the System continues to use the governor’s target, it could be criticized for using a lower number than what would be in law. To provide further uncertainty, the governor announced his intention to un-allot after the legislature adjourns. It is the interest of the Vice

Chancellor – Chief Financial Officer to receive guidance from the Board regarding the budget planning target for fiscal year 2012.

**Table 3**

**Minnesota State Colleges and Universities  
Fiscal Years 2010-2013 Budget Outlook  
(Without American Recovery and Reinvestment Act Funds)**

(\$ in millions)

	2009 Base (doubled)	2010-2011 Base Governor Rec. (5% tuition assumption)	Change	2010-2011 Base Final Bill (5% tuition assumption)	Change	2012-2013 Base Target Governor Rec. (4% tuition; 3% inflation assumption)	2012-2013 Base Target Final Bill (4% tuition; 3% inflation assumption)
Appropriation	\$1,363	\$1,201	(\$162)	\$1,280	(\$83)	\$1,217	\$1,310
Tuition	\$1,295	\$1,394	\$99	\$1,394	\$99	\$1,514	\$1,514
Other revenue	\$216	\$216	\$0	\$216	\$0	\$216	\$216
<b>Projected revenue</b>	<b>\$2,874</b>	<b>\$2,812</b>	<b>(\$62)</b>	<b>\$2,890</b>	<b>\$16</b>	<b>\$2,947</b>	<b>\$3,040</b>
<b>Projected expenses</b>	<b>\$2,873</b>	<b>\$2,939</b>	<b>\$66</b>	<b>\$2,939</b>	<b>\$66</b>	<b>\$3,096</b>	<b>\$3,096</b>
<b>Projected budget gap</b>	<b>\$1</b>	<b>(\$127)</b>		<b>(\$49)</b>		<b>(\$149)</b>	<b>(\$56)</b>

**Federal stimulus funds**

As noted above in Table 1, the higher education bill includes \$79.2 million in federal aid from ARRA. These funds pose a challenge because it means spending one-time resources while the 2010-2011 base budget is being reduced. It is staff's recommendation that we allocate equally between the two fiscal years. This approach is available to us in law. The only constraint is that the funds be spent by September 2011, which is three months after the end of the System's 2011 fiscal year.

Generally, the stimulus funds can be used for education and general expenditures, in such a way as to mitigate the need to raise tuition and fees for in-State residents; or for modernization, renovation, or repair of facilities that are primarily used for instruction, research, or student housing.

The Leadership Council has been consulted regarding the method for distributing the stimulus funds directed for college and university general budget support. The method that will be presented to the Board as part of the 2010 operating budget approval will be to distribute approximately \$53 million of the resources based on percent share of the allocation framework. These funds will assist colleges and universities to transition to the fiscal year 2012 base budget.

There has been much discussion with the Leadership Council regarding the use of stimulus funds for tuition mitigation. The Finance, Facilities and Technology Committee has also discussed tuition mitigation. There is a concern about a cliff that will exist in fiscal year 2012 if stimulus

money is used to mitigate tuition. There is language in the higher education bill that limits tuition increases for Minnesota resident undergraduate students to five percent each year, using federal stimulus funds to buy down the tuition increase to no more than three percent in the first year for a net increase of eight percent. This approach would leave a cliff of 2 percent for students in fiscal year 2012 prior to any new tuition increases.

Table 4 shows tuition mitigation using a base tuition per credit rate of \$100.00. In fiscal year 2010, the base rate would increase 5 percent (\$5.00) with federal stimulus funds paying 2 percent (\$2.00) of the increase, and a student paying the balance (3 percent or \$3.00). In fiscal year 2011, the base rate would increase another 5 percent (\$5.25) with a student paying the full increase. Over the 2010-2011 biennium, the base tuition rate would have increased 10 percent with a student covering 8 percent of the increase. The impact of providing tuition mitigation will be that a student would experience a 2 percent increase (\$2.00) in fiscal year 2012 before any new tuition increase.

**Table 4**

**Minnesota State Colleges and Universities  
Tuition Mitigation Scenario**

		5% Increase	5% Increase	Tuition Tail
	2008-2009	2009-2010	2010-2011	2011-2012
Base Tuition Per Credit	100.00	105.00	110.25	110.25
Base Rate Increase		5.00	5.25	
Buy down {2% 2010}		2.00		
Student Increase from Prior Yr		3.00	5.25	2.00
Student Tuition Rate		103.00	108.25	110.25
Student Increase from Prior Yr		3%	5%	2% tail (PRIOR to any new tuition increase)

It would be the interest of the Chancellor to provide tuition mitigation to all students in fiscal year 2010. The cost would be approximately \$26 million over the biennium. The method for distributing to colleges and universities the portion of stimulus funds directed for tuition mitigation would be based on student enrollment.

## **Tuition parameters**

Since early Fall 2008, discussions have occurred with the Leadership Council and the Finance, Facilities and Technology Committee around tuition parameters for fiscal years 2010 and 2011. The 2010-2011 biennial operating budget request of \$71.7 million was built on an assumption of 4 percent additional revenue – 2 percent tuition increase for college students and 3 percent tuition increase for university students – with the balance of revenue included in the operating budget request. With the System facing a large appropriation reduction in the 2010-2011 biennium and concern expressed with the outlook for the 2012-2013 biennium and the likelihood that continued pressures will challenge the System's efforts to serve the people of Minnesota, the tuition planning assumption has increased to a System average 5 percent.

There has been considerable interest in moving away from a percentage rate change to a dollar per student rate change. This will begin to address the disparity that results in setting a maximum percentage increase. This method will provide each college and university with the same amount of increased tuition on a full-year equivalent student, with a small variance in percent increase, if the college or university chooses to increase tuition at the maximum amount.

Colleges and universities have been advised of a maximum dollar per student rate increase for fiscal years 2010 and 2011. For colleges, the maximum amount per full-year equivalent undergraduate resident student would be \$210.00 or \$7.00 per credit for fiscal year 2010 and \$219.00 or \$7.30 per credit for fiscal year 2011. For universities, the maximum amount per full-year equivalent undergraduate resident student would be \$285.00 or \$9.50 per credit for fiscal year 2010 and \$300.00 or \$10.00 per credit for fiscal year 2011.

As most of the biennial outlook will be known – state support, federal funds, and labor contract costs – it seems appropriate to pursue a vote of the full Board on both 2010 and 2011 tuition rate increases. Therefore, the Chancellor will recommend tuition rate increases for each college and university for both fiscal years 2010 and 2011 to the Board for review in June 2009 and action in July 2009. The Board will be provided detailed information on the fiscal year 2010 budget and less detail on the fiscal year 2011 budget. The consultation process at each college and university will continue for the fiscal year 2011 budget during the next academic year. The Chancellor will return in the Spring of 2010 with details of the fiscal year 2011 budget including campus consultation. It is recognized that the Chancellor may return to the Board with different recommendations based upon the final action of the Governor and the legislature.

## **Alignment of financial resources to strategic priorities**

Each year the Chancellor and Board direct financial resources to the System's strategic priorities. At its March meeting, the Finance, Facilities and Technology Committee discussed the \$28.5 million (\$4.4 million of one-time funding) of resources in fiscal year 2009 supporting the strategic priorities. With the System facing an appropriation reduction in the next biennium, the Chancellor has sought input and guidance from the Leadership Council regarding distribution of limited resources. The Leadership Council has indicated that generally the activities funded with state resources could be pro-rated to the available level. The Chancellor has prepared a preliminary recommendation for distribution of state resources for fiscal years 2010 and 2011 based on the funding level within the higher education bill. The higher education bill contains

language that identifies specific funding levels for legislative specials, enterprise technology, and the Office of the Chancellor and Shared Services Division (including presidential compensation).

Within the discretionary activities, the Chancellor’s preliminary recommendation maintains serving the underrepresented at \$11 million, redirects approximately \$3.3 million that is currently available for awards of excellence to campus programs, and pro-rates the remaining activities. The fiscal year 2010 preliminary funding level for the Board’s strategic priorities is shown in Table 5. It would be the Chancellor’s interest to receive input from the Board on the overall distribution of state resources found in Attachment 1.

**Table 5**

**Minnesota State Colleges and Universities  
Distribution of Financial Resources to System Priorities**

Priorities	FY2009	FY2010 Preliminary Recommendation
Centers of Excellence	\$5,000,000	\$4,411,098
Serving underrepresented	\$11,000,000	\$11,000,000
Technology (colleges/universities)	\$7,500,000	\$5,338,293
Minnesota Online	\$600,000	\$529,332
Strategic priorities (one-time resources)	\$4,400,000	\$0
Campus programs – Colleges		\$2,904,493
Campus programs - Universities		\$401,624
<b>Total system priorities</b>	<b>\$28,500,000</b>	<b>\$24,584,841</b>

The Board will be provided information in the June materials as to the capacity of colleges and universities to advance and respond to the System’s strategic priorities in light of the fiscal challenges and difficult resource decisions that have to be made during the next biennium.

**Tuition scholarship program for unemployed Minnesota residents**

In Spring Term 2009, three System colleges implemented a tuition scholarship program for individuals who are eligible for the state’s unemployment insurance benefits. Education is the key to economic recovery and is an investment in people. The tuition scholarship program benefits unemployed individuals with the hope that the tuition scholarship will lead to future enrollments. The colleges that implemented the scholarship program are Anoka-Ramsey Community College, Minnesota State Community & Technical College, and Normandale Community College.

System Procedure 7.3.12, Scholarships, provides authority for presidents to fund scholarship programs for high priority student populations. Any tuition scholarship program is campus-based and dependent upon availability of financial resources at the college or university. A scholarship program should be initiative-based and linked to a college or university's strategic plan.

The tuition scholarship program can be designed in one of many ways. All three programs are administered on a space available basis. A summary of the three programs follows:

**Anoka-Ramsey Community College:** This program was designed for the tuition scholarship to cover 50 percent of the tuition charged, with no limit on the number of courses (credit or non-credit) registered for by the student. Approximately 204 individuals participated in credit courses and 40 solely in non-credit courses for Spring Term. The total amount of scholarships was \$129,544. This tuition scholarship program was met with positive responses both internally and externally. Some testimonials received from students participating in the tuition scholarship program:

- “I would not have considered college as an option if it wasn't for the Anoka-Ramsey's decision to provide this 50 percent tuition grant.”
- “College would not have been an option for me if it was not for this program.”
- “I was thrilled to find out I qualified for the tuition break and I wasn't about to pass on such a great opportunity.”

Community leaders have praised Anoka-Ramsey Community College for reaching out to serve their community and strengthen the state's workforce by offering tuition assistance to unemployed individuals.

**Minnesota State Community & Technical College:** This program was designed for the tuition scholarship to cover 100 percent of the tuition charged, with no limit on the number of courses registered for by the student and only offered at the Fergus Falls campus. There were 27 students who initially registered for the program, with 15 still enrolled. The total amount of scholarships was \$11,972. The program was successful for students who had knowledge of both the financial and time commitment needed to be successful in college. The students who did not complete their courses were at a very different place in their processing. Those students needed more time to understand how the entire college experience worked and grieve the loss of their employment.

**Normandale Community College:** This program was designed for the tuition scholarship to cover 100 percent of the tuition charged, with a limit of 8 credits or less. There were 269 students who had enrolled in 327 eligible courses for a total of 1,017 credits (68 full-time equivalent enrollment). These students also registered and paid for an additional 86 courses for a total of 311 credits (21 full-time equivalent enrollment).

The tuition scholarship program for unemployed individuals was offered Summer Term 2009. It is likely that this tuition scholarship program for unemployed individuals will be offered by more institutions beginning Fall Term 2009 if the financial resources are available at the individual college or university. This type of tuition scholarship program is an excellent example of our institutions responding to the needs of their community. It is the interest of the Chancellor for colleges and universities to continue to provide scholarship programs for high priority student populations as allowed for under Board procedure.

### **Office of the Chancellor budget reductions**

The Office of the Chancellor has undertaken budget planning reductions in the area of 10 to 15 percent. The Chancellor, Cabinet, and Leadership Council have had full and robust discussions over the past several months concerning the services and functions performed in the Office of the Chancellor. Significant staff energy was spent analyzing what activities are performed in the Office of the Chancellor and how those activities serve the System's core mission and support and serve the colleges and universities. Guidance and advice was sought from the Leadership Council on which functions within the Office of the Chancellor they view as most critical for their operations. The presidents have provided thoughtful insight, explaining what the impact on their campuses would be depending upon where cuts are made.

Some advice has remained constant throughout the conversations with the presidents:

- Avoid increasing or adding fees for service beyond what is currently being assessed;
- Avoid transferring legally or contractually mandated activities to the institutions for execution; and
- Attempt to find specific areas for elimination rather than diluting all areas of service.

Presidents are constant in their belief that all institutions have been significantly advantaged by the comprehensive services offered by the Office of the Chancellor, particularly in times of institutional stress and at times when specific expertise is needed to supplement local knowledge. The Cabinet is continuing to assess services and staffing levels that will be needed to ensure long term programmatic and fiscal strength for the System. To achieve a structurally balanced budget, the Office of the Chancellor is planning for permanent full-time equivalent reductions. The Chancellor will provide a two-year budget outlook for the Office of the Chancellor when operating budgets are presented to the Board in June 2009.

*Date Presented to the Board: May 20, 2009*

*FY 2010-2011 Operating Budget Including Tuition and Fees 11*

**ATTACHMENT 1**

**MnSCU MASTER GREEN SHEET**

**PRELIMINARY RECOMMENDATION**

**May 18, 2009 -- Based on Final Higher Education Bill Funding Level**

		<b>FY2009</b>	<b>FY2010</b>	<b>FY2011</b>	<b>FORECAST FY2012</b>
1.01	<b>Institutional Basic Allocations</b>				
1.02	Base	540,667,275	476,987,220	528,648,346	517,807,502
1.03	Technology	7,500,000	5,338,293	5,338,293	5,228,822
1.04	PALS	968,543	1,141,064	1,285,938	1,285,938
1.05	Non-resident tuition buy-down	2,940,000	2,593,725	2,593,725	2,540,537
1.06	Tuition Buydown	9,400,000	8,292,863	8,292,863	8,122,804
1.07	Competitive Salaries - IFO	2,252,500	1,987,199	1,987,199	1,946,449
1.08	NetWork (Contract & Non Credit)	11,589,311	10,224,316	10,224,316	10,014,649
1.09	<b>Subtotal Basic Allocations</b>	<b>575,317,629</b>	<b>506,564,682</b>	<b>558,370,682</b>	<b>546,946,701</b>
1.10	<b>Institutional Priority Allocations</b>				
1.11	Alliss Subsidy	439,334	387,589	387,589	379,641
1.12	Fire Fighter Subsidy	279,155	246,276	246,276	241,225
1.13	Management Programs (FBM/SBM)	193,126	170,379	170,379	166,886
1.14	MnOnline	600,000	529,332	529,332	518,477
1.15	Sign Language Interpreter	1,541,199	1,359,675	1,359,675	1,331,793
1.16	Centers for Excellence	5,000,000	4,411,098	4,411,098	4,320,640
1.17	Awards of Excellence - MSCF/MSUAASF	3,747,500	0	0	3,238,320
1.18	Campus programs - Colleges	0	2,904,493	2,904,493	0
1.19	Campus programs - Universities	0	401,624	401,624	0
1.20	Serving Underrepresented	11,000,000	11,000,000	11,000,000	10,774,426
1.21	Community Energy Pilots	440,000	388,177	388,177	380,216
1.22	Cook Co Higher Education	40,000	0	0	0
1.23	Econ Dev e-Folio Upgrade	225,000	225,000	225,000	225,000
1.24	NHED - Range Voc Ed	1,000,000	1,000,000	1,000,000	1,000,000
1.25	Learning Network of Minnesota	0	4,800,000	4,800,000	4,800,000
1.26	Power of You (1x appro FY2009)	600,000	0	0	0
1.27	Teachers of Diverse Background (1x appro FY2009)	120,000	0	0	0
1.28	<b>Subtotal Institutional Priority Allocations</b>	<b>25,225,314</b>	<b>27,823,644</b>	<b>27,823,644</b>	<b>27,376,625</b>
1.29	<b>Subtotal Institutional Allocations</b>	<b>600,542,942</b>	<b>534,388,325</b>	<b>586,194,325</b>	<b>574,323,326</b>
1.30	<b>Systemwide Set Asides</b>				
1.31	Attorney General	616,536	616,536	616,536	616,536
1.32	Debt Service - system level	15,539,000	15,539,000	16,039,000	16,539,000
1.33	- campus level	[10,500,000]	[10,500,000]	[11,000,000]	[11,000,000]
1.34	Repair and Replacement	385,736	385,736	385,736	385,736
1.35	Searches	500,000	500,000	500,000	500,000
1.36	System audit program	1,054,403	1,054,403	1,054,403	1,054,403
1.37	Enterprise Technology	21,228,000	20,000,000	20,000,000	20,000,000
1.38	<b>Subtotal - Set Asides</b>	<b>39,323,675</b>	<b>38,095,675</b>	<b>38,595,675</b>	<b>39,095,675</b>
1.39	<b>STIMULUS FUNDS</b>	<b>0</b>	<b>39,583,000</b>	<b>39,583,000</b>	<b>0</b>
1.40	Tuition mitigation [FY2010 2% cumulative]	0	[12,946,000]	[12,946,000]	0
1.41	College/University operating budget support	0	[26,637,000]	[26,637,000]	0
1.42	<b>TOTAL COLLEGE/UNIVERSITY ALLOCATIONS</b>	<b>639,866,617</b>	<b>612,067,000</b>	<b>664,373,000</b>	<b>613,419,000</b>
1.43	<b>Appropriation</b>	<b>639,866,617</b>	<b>572,484,000</b>	<b>624,790,000</b>	
1.44	<b>Stimulus Funds</b>		<b>39,583,000</b>	<b>39,583,000</b>	
1.45	<b>OOC/SSD</b>				
1.46	Office of the Chancellor	12,891,736	12,538,395	12,538,395	12,538,395
1.47	Presidents Compensation	7,500,000	7,500,000	7,500,000	7,500,000
1.48	Shared Services Division	10,758,647	10,463,770	10,463,770	10,463,770
1.49	Shared Services Division - IT	17,300,000	16,825,835	16,825,835	16,825,835
1.50	<b>Total - Office of Chancellor/Shared Services</b>	<b>48,450,383</b>	<b>47,328,000</b>	<b>47,328,000</b>	<b>47,328,000</b>
1.51	<b>TOTAL ALLOCATIONS</b>	<b>688,317,000</b>	<b>659,395,000</b>	<b>711,701,000</b>	<b>660,747,000</b>
1.52	<b>AVAILABLE RESOURCES</b>				
1.53	State Appropriation	682,417,000	613,912,000	666,218,000	654,847,000
1.54	Stimulus Funds	0	39,583,000	39,583,000	0
1.55	ITC EARNINGS	5,900,000	5,900,000	5,900,000	5,900,000
1.56	<b>TOTAL AVAILABLE RESOURCES</b>	<b>688,317,000</b>	<b>659,395,000</b>	<b>711,701,000</b>	<b>660,747,000</b>