



June 16, 2020

Chair Cowles, Chancellor Malhotra, Trustees:

I am writing to you in support of a 3% tuition increase for the Minnesota State Colleges and Universities for FY21. As you know, the past few years have seen dramatic enrollment drops across the system which impacted the bottom line. Our universities have been engaging in budget reduction strategies which include cuts in operating budgets, layoffs and retrenchments, and not filling several open positions across all bargaining units. As the proverbial saying goes, "There's no fat left to trim." And then the COVID-19 crisis hit which has decimated budgets even further. Some students are in a quandary of deciding whether they want to pursue and/or continue their education in online formats this year or wait until campuses have opened up further. Although they have registered for courses, I hear anecdotes from students that they still don't know what they are going to do in the fall.

I do not take lightly needing to arrive at a financial decision that puts our students further into debt. However, with no additional State funding and deficits on some campuses in the millions, I see no other way of helping the bottom line other than a small tuition increase to help meet inflationary costs. I don't believe that any campus wishes to close programs and send students away from Minnesota State. Our universities are still some of the best buys in the Upper Midwest in terms of tuition and fees—not to mention the excellent experience our students get both in the classroom and in their lives as a Minnesota State student.

I know that there are some creative ways at arriving at the value of a 3% increase for FY21, and I am supportive of methods that cause the least amount of harm and disruption to campuses and students in order to arrive at the amount needed to help our campuses who are dealing with so many financial emergencies. While some of our competitors have already signaled a tuition freeze for FY21, many of them have healthy endowments and other reserves to work with a 0% increase regardless of their enrollments or COVID-19 crisis impacts.

I appreciate the tough decision the Minnesota State Board of Trustees must make, but our campuses need a tuition increase for FY21 to just keep their head above water and not make more drastic cuts.

Sincerely

A handwritten signature in black ink, appearing to read "Tracy Rahim".

Tracy Rahim
State ASF President