

President's Memorandum to Faculty and Staff

Office of the President
March 28, 2016

Higher Education Funding Update

Last Thursday both the Michigan House of Representatives and the Senate Higher Education Appropriations Subcommittees reported out FY 2017 funding bills. These differ from each other and from Governor Snyder's proposed budget. While all three models increase funding to Ferris State University, the House budget is the least favorable. Under the House proposal Ferris would receive \$2,019,500 or a 4 percent increase in new funding. Under the executive and Senate proposals Ferris would receive a \$2.8 million or a 5.6 percent increase.

Under the House budget a total of \$13.5 million was deducted from the Governor's recommended increase for higher education. \$3 million deducted from the House's proposed budget are added to the Community College budget, which was increased from a 2.4 percent inflationary increase to a 3.4 percent increase. Also under the House's budget,

- An additional metric is added to the funding formula: whether or not the university received either a 2010 or 2015 Carnegie Community Engagement Classification. In this metric, a university receives three points for being granted this classification, and zero for not. Eight universities have received the classification (EMU, MSU, NMU, SVSU, UM-F, UM-D, WSU, WMU). More information on this purely voluntary Carnegie classification is available [here](#). As I have noted in the past, in testimony to both the House and Senate subcommittees I have advocated strongly that the existing metrics be maintained so as not to create a moving target for universities.
- Tuition restraint is improved compared to the Governor's budget. The limit is the greater of either 4.8 percent (representing twice the expected level of inflation), or an absolute increase of \$500, reflecting the different sizes of tuition bases among the universities.
- University increases range from 2.8 to 4.7 percent – a range of 1.9 percent compared to a range of 3.5 to 6.8 percent – a span of 3.3 percent – contained in the Executive Budget recommendations.

Under the Senate budget, funding for higher education stands the same as the Governor's Executive Budget, but major changes are made to distribution. Two universities, EMU and OU, are penalized for opting not to take the performance funding last year (by setting tuition above the state-incentivized cap), and are barred from receiving the 50 percent of new funding allocated proportionate to FY 2011 levels. Instead, this funding (\$2.6 million) would be redistributed to four of the five universities with appropriations still below FY 2011 levels (MSU, UM, WMU, WSU; excluded is EMU). Also under the Senate's budget,

- Tuition restraint is included at the 4.8 percent level recommended by the Governor. A university exceeding this cap would not receive performance funding, as per usual. However, a university that exceeds this price control in FY 2017 would additionally be ineligible for a capital outlay project in either FY18 or 19.
- The Michigan Public Schools Employees Retirement System reform bill for public universities would also move as part of this plan. This is very important for us and to the other six public universities under MPSERS in addressing the long-term costs of this state-managed plan. Under the proposed reform, there would not be reductions in benefits to retirees, but the university's contributions to MPSERS would be capped. The state has already taken this action for public schools and community colleges.
- The Senate restored language that the Governor deleted, which states that the funding formula score for improvement be reduced from a 2 to a 1 next fiscal year.

- Neither the Senate nor the House include the Governor's recommendation to cap Tuition Incentive Program dollars received by any single institution. However, proration language was added in the event that the appropriation is insufficient to meet needs.

Much of this information comes from the Michigan Association of State Universities and I want to thank their executive Dan Hurley for providing this analysis.

The legislature is now on a two-week spring vacation. When legislators return the budget bills will work their way through the appropriations committees in each body and be passed by the House and Senate separately. They will then move to a joint House/Senate conference committee to resolve the differences. There is still much work to be done and compromises will need to be reached. I will keep you updated as this process moves forward.

Sad News

In an earlier message I shared information on longtime hockey official Oliver "Butch" Mousseau, who suffered critical head injuries stemming from a fall to the ice during warm-ups prior to our semifinal game on Friday, March 18, at the Van Andel Arena. Regrettably Mr. Mousseau passed away at Mercy Health St. Mary's Hospital in Grand Rapids on Friday, March 25. He was 48 and is survived by a wife and three children.

According to a Western College Hockey Association statement, Mousseau was a full-time WCHA referee for 16 seasons, beginning in 2003-04, and was a part-time official in the National College Hockey Conference since the league began in 2013-14. He was also a USA Hockey official since 1998, working as a referee in the East Coast Hockey League beginning with the 1999-2000 season, and had additional assignments in the American Hockey League and now-defunct Central Hockey League. As the first Native American to work a game at the top level of the sport, Mousseau's NHL officials sweater and skates are in the league's Hall of Fame in Toronto. Donations for the family may be made [here](#). I know that you join me in expressing our regrets and support for his family at this difficult time.

Athletics

This past weekend in Ashland, Ohio, women's softball began its GLIAC season in undefeated fashion as they prevailed over Lake Erie in a double header on Friday and then defeated Ashland 5-2 and 7-4 on Saturday. The team is now 19-9 and remains on the road this week before returning for games against Lake State on April 6, Hillsdale April 9, and Findlay April 10.

On Saturday afternoon at the Xcel Energy Center in St. Paul, Minn., the men's ice hockey team defeated nationally second-ranked St. Cloud State University 5-4. Our team jumped out to an early lead and never trailed in the contest. The Bulldogs began the third period up 4-2 before St. Cloud tied up the game at 4-4 to force an overtime. Just 18 seconds into overtime Jarred VanWormer scored on a rebound from a Gerald Mayhew shot to win the game. VanWormer scored twice along with goals by Mitch Maloney, Brandon Anselmini, and Gerald Mayhew.

On Sunday the team faced off against the University of Denver in the regional final. Despite scoring a goal to gain a 3-3 tie well into the third period, our Bulldogs fell 6-3 to Denver.

This was the third trip by the ice hockey team to the NCAA regional tournament. In 2012 they won the Midwest regional in Green Bay, Wis., defeating Denver and Cornell to advance to the Frozen Four Championship in Tampa, where they defeated Union in the semifinal and lost to Boston College in the national championship game. In 2014 they won their opening game in the Midwest Regional in Cincinnati, defeating Colgate and then losing in the regional final to North Dakota in double overtime.

Please join me in congratulating our men's ice hockey team and coach Bob Daniels on a successful season and a very exciting and remarkable post-season run.

David L. Eisler, president