

Tuition Transparency Panel

Introduction:

- Student Senate Co-President Joerger opens the meeting, explains how to ask questions during the discussion.
- President Bergman introduces herself.

Participants:

- Chris Kutuza, a sophomore at Gustavus, came up with the idea for tuition transparency.
- Curt Kowelski, the finance director.

Tuition Transparency and College Expenses:

- Chris explains Gustavus is a non-profit organization.
- Breaks down costs in the provided spreadsheet.
- The college pays 70% of expenses.
- Curtis explains the endowment, around 250 million dollars from the government.
- Monte Carlo analysis used, allowing spending of 4-5% annually, totaling 12 million dollars.
- Loss from revenue per student is around 13,000, covered by the 12 million.
- Working to offset the decrease in student count (currently down 300 students).
- Increase in cost per student due to loss in students; taking extra from endowment affects future investment returns.

Sources of Income and Expenditures:

- Other income sources include donor gifts (e.g., Gustavus Day), private gifts, and events like Nobel Conference.
- Expenditure categories: instruction, academic support, research, and public service.

Enrollment and Tuition:

- Anticipating a possible decline in student enrollment.
- Tuition rate increases based on other private schools in MN to stay competitive.
- Balance between investing in instruction and maintaining necessary infrastructure.

Special Events and Programs:

- Funding for events like Nobel Conference, DLC, and Building Bridges comes from endowment, ticket sales, student government fees, and allocations from the Student Senate.

Athletics:

- Revenue from sports events doesn't cover all sporting costs.
- Different from D1 schools where football and basketball generate significant revenue.
- College covers coaches' salaries, stadium costs, and travel expenses.

Financial Aid and Scholarships:

- Scholarships based on FAFSA; it doesn't affect the budget.

- Research grants come from government grants; scholars maintain their prestige through research.

Study Abroad and Special Terms:

- College takes a loss on study abroad programs due to higher expenses.
- January term is included in tuition costs but is technically free; May term similar to summer classes.

Mission and Affordability:

- College aims to remain affordable and accessible; doing its best within current endowment constraints.
- We believe strongly that the college should make it affordable for everyone that goes here, it is part of our mission to be affordable and accessible.

ORIGINAL NOTES:

President Joerger opens with an introduction and how to ask questions during discussion

President Bergman introduces herself and explains what the

Chris Kutuza, a sophomore at Gustavus who came up with the idea for this tuition transparency

Curt Kowelski, the finance director

- Chris explains how the college is a non profit organization
- Breaks down the costs in the spreadsheet provided
- We pay 70% of the college expenses
- Curtis explains the endowment, the government has given us around 250 million dollars over the history of Gustavus, we cannot spend any of that money but just the money we make off investing that money.
- We do a Monte Carlo analysis, we will spend based on our confidence that we will never overspend or eat into the original 250 million dollars, can spend around 4-5% every year which ends up being 12 million dollars
- Loss from revenue is around 13,000 per student, which is covered by that 12 million
- When our student count is way down we don't have the same money, right now we are down around 300 students, working how to offset that
- Cost per student went up this year because of loss in students, we are taking a bit extra from endowment, so this means from here on out we will lose future investment return

What are the other sources of income and private gifts?

- Donor gifts, give to Gustavus Day.
- Nobel is an example of a building paid for by donors
- Other sources could be the book mark

Information on what the expenditure category is comprised of?

- **Instruction**, academic support, research and public service

Is the school expecting student enrollment to continue dropping in current years? What can students expect to pay

- The good news is that we have more students this year than we did last year, we hope to have turned the corner
- We set tuition rate increases based on the market (other MN private schools) and estimate what we think they will charge so we can stay in that market

How does the college explain the breakdown for what is important

- We would love to put all our money into instruction but we also need the infrastructure to help run the college
- There are a few benchmarks; ratio of students to faculty, most liberal arts have 10:1 or 14:1, we are currently at 11:1
- There's hope that you will recognize the other factors that go into your academic experience; food, athletics, research, printer paper etc.

Where does the money for nobel conference, DLC and building bridges come from?

- There is an endowment for nobel conference as well as charging for tickets, we mostly breakeven
- The same goes with christ's chapel
- Other money can come from student government fees, 55% to Student Senate, 5% to building bridges and 40% to CAB. DLC is under student senate so that is where their money comes from.

Is there profit coming from sports? Does it cover the costs of sports?

- Tickets do not cover, but students who come for athletics more than offset the cost
- Different from D1 where men's football and basketball where most the money is made
- Coaches salary, stadium costs, traveling money. Students pay some of that money but mostly is covered by the college
- There is a pool of 90 million dollars towards athletics

Talk about the changes in Printing and how it has benefitted us financially?

- We are well below industry standard on the amount of printing we do on some of the machines
- Printers are coming out of res halls and a lot of buildings on campus, the good news is they will be easier to use, and everyone will be walking farther

How does the state of MN and federal government determine how much money Gustavys gets

- Scholarships is based on you and your FAFSA, that doesn't matter for our budget, they are paying some of your tuition
- When it comes to government grants, do we apply for research grants by making proposals to subsidize our research?

How does our tuition compare to other universities?

- We are middle of the pack in terms of 7 other institutions that we look at for net price, but we give very good scholarships and we have the lowest room and board

How does the research affect us? Do we make money off this research?

- We do not make money off the research but it makes our professors better and students better
- All of our faculty have an area of academic scholarship and it is how they maintain their prestige, which makes them more desirable and is very related to research

Is May term expected to be more profitable than the J term?

- It will be similar to summer term classes

- Our tuition rate included our January term, but we compared to schools without a J term, which means it was more expensive for us
- If you are an athlete or a musician who is with us during May, you will not have to pay for these costs
- Technically, January term is free because it is rolled into our costs of tuition which levels out to other schools who don't offer a J term, and we still pay

How much profit does the school make on a study abroad?

- The school takes a loss for a study abroad
- Even when students pay a little more, we still take a loss because we are covering larger expenses

Unknown question, Kira distracted me

- We believe strongly that the college should make it affordable for everyone that goes here, it is part of our mission to be affordable and accessible.
- If we had millions of dollars more in our endowment we could do better but we do our best and out of similar schools we actually do the best