House Appropriations Subcommittee on Higher Education and Community Colleges

Michigan State University, AgBio Research, and MSU Extension
February 21, 2019
Serving Michigan First
Serving Michigan First

In-State Enrollment
MSU welcomes students from all 83 Michigan counties
30,521 undergraduates are Michigan residents, the highest number in at least 10 years
77.1% of all undergraduates are Michigan residents

In-State Employment
65% of all graduates obtain employment in Michigan within 6 months of graduation

Economic Impact
MSUs economic impact exceeds $5B annually

MSU Product Center
MSUs business development center created 1,995 jobs and has also assisted in creating or expanding 634 businesses and increased sales by $402M
Serving Michigan First
MSU AgBioResearch & MSU Extension

MSU AgBioResearch & MSU Extension
MSU AgBioResearch and MSU Extension contribute to Michigan’s economy with significant research, educational programs and a community presence to boost economic development and growth related to agriculture and natural resources, community vitality, entrepreneurship, and career preparation.

MSU AgBioResearch
Focus on key research areas in:
• Resilient and profitable agriculture and natural resource systems
• Natural resources stewardship and ecosystem health
• Secure food, fiber, and energy systems
• Food safety
• Nutrition and health

MSU Extension
Areas of focus include:
• Developing youth and communities
• Ensuring safe and secure food
• Ensuring strong communities
• Keeping businesses strong
• Keeping people healthy
• Making the most of Michigan’s natural assets
• Supporting food and agriculture
Serving Michigan First

Students from Middle Class Families
Approximately two thirds MSU students from families who are at or below the Pew Center definition of “Middle Class”

Student Loans at Graduation
Half of graduating seniors graduate with no debt

Families making less than $20,000
MSU enrolls more students from families making less than $20,000 than 5 years ago

Note: Families reporting $200,000 or more in annual income truncated for purposes of this analysis
**MSU resident undergraduates**
MSU enrolls more resident undergraduate students than its state peers, with approximately 11,000 more resident undergraduate FYES than its nearest peer.

**U of M non-resident enrollment**
U of M's non-resident undergraduate population approximates 45 percent, 25 percentage points more than MSU.

If MSU mimicked U of M's non-resident population, MSU would operate with over $100M in additional revenue annually.
Academic Competitiveness
Academic Competitiveness

National Rankings

MSU has 9 programs ranked #1 nationwide and a total of 32 graduate and undergraduate programs/schools ranked in the top 25 nationwide.

- Supply Chain**
- African History*
- Elementary Teacher Education*
- Higher Education Administration*
- Secondary Teacher Education*
- Industrial/Organizational Psychology*
- Rehabilitation Counseling*
- Nuclear Physics*
- Educational Administration & Supervision*
- Educational Psychology*
- Curriculum & Instruction*
- Education Policy*
- Production/Operations**
- Criminology*
- Online Criminal Justice* (2018)
- Agricultural Engineering
- Accounting
- Management
- International Business**
- Online Business (excludes MBA)* (2018)
- Undergraduate Business Program
- Management Information Systems
- Graduate Education Schools*
- Special Education*
- Student Counseling (School Psychology)*
- Biological/Agricultural Engineering*
- Econometrics*
- Veterinary Medicine*
- Online Graduate Nursing* (2018)

2019 unless otherwise noted
*Indicates graduate program
**Indicates both graduate & undergraduate programs

As of 1/21/19
Academic Competitiveness

Global rankings

90th
U.S. News and World Report
2019 Best Global Universities

93rd
Times Higher Education (London)
Word University Rankings, 2019

10 Programs Ranked in the top 25 globally*
Agricultural Sciences
Agriculture and Forestry
Communication
Communication & Media Studies
Education
Environmental Science & Engineering
Hospitality & Leisure Management
Plant & Animal Science
Veterinary Science

*Includes rankings from:
Academic Ranking of World Universities (Shanghai) 2018
Quacquarelli Symonds (QS) World University Rankings (London), 2018
Times Higher Education World University Rankings (London), 2019
U.S. News and World Report Best Global Universities, 2019

As of 1/21/19
Enrollment Overview
There were 8,442 students in the fall 2018 entering class.

- **Michigan Resident**: 77.1%
- **Students of Color (of domestic students)**: 26.3%
- **First Generation (FAFSA or MSU application)**: 22.8%
- **Receive a Pell Grant**: 20.4%

The fall 2018 entering class is the most racially/ethnically diverse class ever.

8.6% of the entering class are in the Honors College, the highest percentage in at least 10 years.
50,351 students were enrolled for fall semester 2018. 23.5 percent are students of color, the most racially/ethnically diverse student population to date.

Undergraduate Enrollment
78.3 percent of all students, or 39,423, are undergraduates. 77.4 percent are Michigan residents.

Percent of High School Graduates
Total resident undergraduate students, routinely admitting over 5% of the state’s graduating high school seniors.

Of undergraduate students...

10.2% are in the Honors College.
23.8% of domestic undergraduates are students of color.
$16,227 2017-18 Average In-State Net Price (includes room and board).
90.7% are full-time students.
Enrollment Overview

Students Receiving Pell

Percentage of Students Receiving Pell Over Time
The percentage of students receiving a Pell Grant has remained between 22 and 23 percent over the last five years (2013-2017).

Average Pell Grant Amount
The average Pell Grant amount was $4,887 with a total of $41.7 million awarded.

2017-18
8,539 students (22% of all undergraduates) received a Pell Grant. This represents or approximately 2 in every 9 students.
Enrollment Overview
First Generation Students

Percentage of Students Who Self-Identify as First Generation
The percentage of students receiving a Pell Grant has remained between 22% to 25% percent over the last 5 years.
Financial Aid
Total support for student assistance increased 48.4% between FY08 and FY18, moving from $473.0 million to $701.7 million (not adjusted for inflation).
Financial Aid | Spartan Advantage Program

**MSU Spartan Advantage Program**

Spartan Advantage provides full tuition, room and board, and books to students from families with income at or below the federally established poverty guidelines. Current students with a family size of four and family income of $25,750 could qualify for the program.

Since inception, the Spartan Advantage program has facilitated close to $500M in aid for over 22,000 students from Federal, State, and Institutional sources.
State Support for Higher Education
State Support for Higher Education

10 Year Percent Change in State Appropriations

The state of Michigan ranks 40th of 50 states for ten-year change in appropriations.

-40%  -20%  0%  20%  40%  60%  80%  100%

Michigan’s FY19 state appropriation is 5.2% below the FY09 appropriation.

Source: Grapevine, Illinois State University

Michigan’s change in state appropriation over 10 years is 16.7 percentage points below the median.

Per Pupil State Appropriation

MSU’s per student state appropriation declined more than 7 percent between FY08 and FY18 from $6,648 to $6,153.

$6,648

$6,153

$0  $2,000  $4,000  $6,000  $8,000

Current per student appropriations remain below the 1992 level.
State Support for Higher Education
Appropriations Recovery

**Appropriations Since 2011**
MSU last amongst institutions complying with tuition restraint provision in percentage appropriations change since 2011

MSU funding at the state median would result in an additional $14.2M in funding for student programming and financial aid.
MSU currently lags the average appropriations per student of U of M and Wayne State by approximately $1,650 per student – represents approximately $76M in additional resources.
Student Success
Student Success

First Semester Probation Rate and Neighborhoods

The first fall semester probation rate for first-time students declined to 6.7%, the lowest rate on record.

Neighborhoods

A campus-based, wrap-around student success network that includes support for academic and personal success.

Student Success Teams

Professionals in each Neighborhood that conduct group-level and individual reviews to identify students for personalized outreach and interventions.
**Student Success**

**First Year Persistence Rate – Carnegie Peer Group**

**MSU Persistence Rate**

The percentage of first time, full-time undergraduate students in the fall 2017 entering cohort returning for their first fall semester after their original enrollment in fall 2018 increased to 91.9%.

**Persistence Rate Comparison to Peers**

MSU’s first time, full-time undergraduate student persistence rate consistently outperforms Carnegie peer median.

### Fall 2017 Persistence Rate

(most recent year available for all institutions)

<table>
<thead>
<tr>
<th>Carnegie Public Median</th>
<th>Michigan State University</th>
</tr>
</thead>
<tbody>
<tr>
<td>88</td>
<td>91</td>
</tr>
</tbody>
</table>
Student Success
Federally Reported 6-Year Graduation Rate – Carnegie Peer Group

**MSU Graduation Rate**
The percentage of students entering in 2012 and graduating within 6 years reached a **record high of 80%**.

**Graduation Rate Comparison to Peers**
MSU’s 6-year graduation rate for students entering in 2011 (most recent year available for all institutions) exceeds Carnegie peer average by over 7 percentage points and the U.S. News and World report predicted rate by 10 percentage points, the highest in the Big Ten.
Of students in the 2012 entering class...

80% graduated from MSU within 6 years, 7% graduated from another institution, 3% transferred to and are still enrolled in another institution, 2% remain enrolled at MSU, and 7% had no further enrollments found. This may indicate, for International students, returning to their home country.

Note: Due to the point in time which data were retrieved, totals may not sum to 100%.

**Employment Location**

Of students reporting an employment location

- 64% Were employed in Michigan
- 79% Were employed in the Midwest

Additionally, of students reporting employment and originally being from Michigan, 71% were employed in-state.
MSU’s student loan cohort default rate continues to decline and is currently 2.9%, the lowest number recorded in the last 10 years. This is also significantly lower than the national average of 10.8% (FY15, most recent year available).
Research Portfolio
Research Portfolio

Sponsored Programs

Total Sponsored Programs
Total sponsored programs approximate $700M annually, an increase of over 50% over ten years.

Research and Development
MSU ranks 32nd annually for annual R&D expenditures, and 7th in the Big Ten

Sponsored Programs per tenure system faculty
MSU sponsored programs per tenure system faculty member exceed $300k, an increase of 50% over ten years

Three Year Rate of Change
Across the Big Ten, MSUs rate of change ranks number 1 over the past 3 years

Big Ten 2017 R&D Expenditures

<table>
<thead>
<tr>
<th>University</th>
<th>Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Michigan</td>
<td>$1,530,139</td>
</tr>
<tr>
<td>University of Wisconsin</td>
<td>$1,193,413</td>
</tr>
<tr>
<td>University of Minnesota</td>
<td>$921,681</td>
</tr>
<tr>
<td>Ohio State University</td>
<td>$864,327</td>
</tr>
<tr>
<td>Pennsylvania State University</td>
<td>$854,815</td>
</tr>
<tr>
<td>Northwestern University</td>
<td>$751,809</td>
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<tr>
<td>Michigan State University</td>
<td>$694,917</td>
</tr>
<tr>
<td>Rutgers University</td>
<td>$681,719</td>
</tr>
<tr>
<td>University of Illinois</td>
<td>$642,084</td>
</tr>
<tr>
<td>Purdue University</td>
<td>$622,814</td>
</tr>
<tr>
<td>University of Maryland</td>
<td>$548,885</td>
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<tr>
<td>Indiana University</td>
<td>$540,421</td>
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<tr>
<td>University of Iowa</td>
<td>$494,280</td>
</tr>
<tr>
<td>University of Nebraska</td>
<td>$302,204</td>
</tr>
</tbody>
</table>

Three Year Rate of Change
Across the Big Ten, MSUs rate of change ranks number 1 over the past 3 years
Cost Containment and Efficient Operations
**Cost Containment and Efficient Operations**

**Students Per Employee**
MSU functions with more FTE students (fall 2017 enrollment) per total FTE staff than the Big Ten average and ranks 5th out of 14 Big Ten schools for the number of students per employee.

**Cost Savings & Avoidance**
$44M in savings since 2009 due to conservation and plant efficiency efforts.
Cost avoidance savings exceed $50M over the last 8 years due to improved purchasing agreements.
Cost Containment and Efficient Operations

Long term commitment

1973

MSU eliminates defined benefit retirement program, initiates defined contribution, remaining liability funded as opposed to numerous governmental entities grappling with unfunded legacy liabilities

2005

MSU eliminates funded post-retirement healthcare for dependents of new employees

2010

MSU eliminated funded post-retirement healthcare for new employees