The Road to a Sustainable Future

BUDGET DEFICITS INHIBIT INNOVATION, DIVERSITY, AND VITALITY

BUDGET SCENARIO 3, SEPTEMBER 23, 2016

- 4.7% College fee increase ($2M+)
- Increase new student fall enrollment to 605 ($450K)
- College financial aid (43%)
- Revised aid packages
- 43 additional full-time students at MIIS to 711 ($1.1M)
- Debt refinancing ($900K)
- New benefits administrator (6 months = $400K)
- Medical premiums increase (6 months = $TBD)
- Rx co-pay change (6 months = $TBD)
- Cap on new hires
- Flat operating expenses
- Retirement plan change for new employees ($50K)

- 4.7% College fee increase ($2M+)
- College fall enrollment at 605 ($450K)
- College financial aid (41%)
- 30 additional full-time students at MIIS to 741
- Institute discount rate (32%)
- New benefits administrator (full year = $800K)
- Medical premiums (full year = $TBD)
- Rx co-pay change (full year = $TBD)
- Lower staff replacement rate
- Flat operating expenses
- Retirement plan savings ($150K)
- School of Environment transition to Schools Abroad

- 4.3% College fee increase ($2M)
- College fall enrollment at 605 ($500K)
- College financial aid (41%)
- 66 additional full-time students at MIIS to 807
- Institute discount rate (31%)
- Medical premiums
- Retiree medical coverage change
- Lower staff replacement rate
- Flat operating expenses
- Retirement plan savings ($250K)

- 4.3% College fee increase ($2M)
- College fall enrollment at 605 ($500K)
- College financial aid (41%)
- 66 additional full-time students at MIIS to 807
- Institute discount rate (31%)
- Medical premiums
- Lower staff replacement rate
- Flat operating expenses
- Retirement plan savings
- Potential debt refinancing

- 3.9% College fee increase ($1.5M)
- College financial aid (41%)
- Institute discount rate (31%)
- Current-use giving (4% growth)
- Medical premiums
- Lower staff replacement rate
- Flat operating expenses
- Retirement plan savings

FY16: -$16.7M
FY17: -$16.5M
FY18: -$11.3M
FY19: -$7.5M
FY20: -$3.2M
FY21: $0.2M

THE TOOLS AT OUR DISPOSAL

REVENUES
- College tuition and fees
- Institute enrollments
- Financial aid
- Gifts

EXPENSES
- Operating expenses
- Compensation
- Workforce planning
- Medical plan administration
- Medical benefits
- Retirement plan
- Debt refinancing
- Program changes

MAJOR ITEMS TO BE ADDRESSED
- Manage College tuition increases
- Manage financial aid at all schools
- Make MIIS enrollment targets
- Reduce overall headcount over time
- Manage overall benefit costs

Includes additional $5.9M not spent from strategic reserves.