

# University of Minnesota

## COVID-19 Financial Shortfalls

The University has not requested emergency supplemental funding from the state to cover our pandemic-related shortfalls. Instead, we have managed and will continue to manage those financial challenges internally.

**The University's priority during the pandemic was to protect students and families thrown into a potentially unstable financial situation due to the pandemic.**

We froze tuition and fees for nearly all student groups in the academic year 20-21 and refunded relevant fees and housing/dining contracts for students last spring when all activities stopped or were adjusted for a period of months.

### COVID-19 Federal Funding

The federal government has passed three bills providing federal funding for the University of Minnesota. The allowable uses of institutional funds include:

- Defraying expenses associated with coronavirus (including lost revenue, reimbursement for expenses already incurred, technology costs associated with a transition to distance education, faculty and staff trainings, and payroll); and
- Making additional emergency financial aid grants to students.

The American Rescue Plan Act of 2021 has two new required uses. A portion of the institutional funds must:

- Implement evidence-based practices to monitor and suppress coronavirus in accordance with public health guidelines; and
- Conduct direct outreach to financial aid applicants about the opportunity to receive a financial aid adjustment due to the recent unemployment of a family member or independent student, or other circumstances, described in section 479A of the Higher Education Act of 1965.

As described below, the University's total pandemic related shortfall for FY 20 and FY 21 is nearly \$235 million. The total amount of institutional federal funding we have received is approximately \$105 million. **Therefore, even after applying the federal funding, the U of M pandemic-related shortfall remains at approximately \$130 million.**

# FY20 U of M Shortfall: \$64,896,002

## FY20 Solutions:

Federal CARES	\$17,773,392
Other Federal Funds	\$1,053,642
University Budget Cuts	\$24,187,968
University Reserves	\$21,881,000

## Coronavirus Aid, Relief and Economic Security (CARES) Act - Spring 2020 (Excludes small federal grants targeted to specific activities)

	Students	Institutional
Crookston	\$432,077	\$432,077
Duluth	\$3,726,976	\$3,726,975
Morris	\$717,277	\$717,277
Rochester & Twin Cities	\$12,897,062	\$12,897,062
Total	\$ 17,773,392	\$ 17,773,390



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# FY21 Estimated U of M Shortfall: \$170 million

## FY21 Planned Solutions:

Federal CRSSA/ARP	\$86.2M
Other Federal Funds	\$1.0M
University Budget Cuts/Reserves	\$38.0M
Athletics Loan (external debt)	\$45.0M

## Corona Response and Relief Supplemental Appropriation Act (CRRSA) - December 2020

(Excludes small federal grants targeted to specific activities)

	Students	Institutional
Crookston	\$568,793	\$1,247,713
Duluth	\$3,742,495	\$7,431,603
Morris	\$718,112	\$1,444,927
Rochester & Twin Cities	\$12,939,491	\$27,271,634
<b>Total</b>	<b>\$17,968,891</b>	<b>\$37,395,877</b>

## American Rescue Plan Act (ARP) - March 2021

(Awaiting official notification of awards and information on grants targeted to specific activities)

	Students	Institutional
Crookston	\$1,691,211	\$1,453,366
Duluth	\$9,931,186	\$9,906,386
Morris	\$1,901,397	\$1,904,293
Rochester & Twin Cities	\$35,991,871	\$35,906,868
<b>Total</b>	<b>\$49,515,665</b>	<b>\$49,170,913</b>



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