



PRESS RELEASE: Report on State Universities Documents Efficiency at Ferris State University

Sandy C Gholston to: Archive

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Included below is a press release highlighting information from the "Fiscal Focus" report on state appropriations, tuition and public university operating costs, dated December 2013. The report was prepared by Kyle I. Jen. This release highlights what the report says about the efficiency of the University's operations. The report was released by the Michigan House Fiscal Agency. The link to the report is below in the press release. Any media requests regarding this release can be directed to Sandy Gholston, News Services and Social Media Manager.

To read the online version of this story, visit:

<http://www.ferris.edu/HTMLS/news/archive/2013/december/efficiency.htm>

FOR IMMEDIATE RELEASE

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Sandy Gholston
Ferris State University
News Services and Social Media Manager
sandygholston@ferris.edu, (231) 591-2021

Report on State Universities Documents Efficiency at Ferris State University

BIG RAPIDS – Since 2001, Ferris State University has been the most efficient state university in restraining overall costs per student according to a recent report released by the Michigan House Fiscal Agency. The report, “State Appropriations, Tuition, and Public University Operating Costs,” was prepared by Kyle I. Jen, deputy director of the House Fiscal Agency. It examined state funding reductions, tuition levels and higher education operating costs since 2000.

During this 13-year period, Ferris experienced the greatest decline in state appropriations per student at 38.6 percent, an average of 3.7 percent less support each year. At the same time, Ferris had an increase in total resources per student (appropriations plus tuition) of 36 percent or an average of 2.4 percent per year. Since 2001, the university grew at a rate of 2.6 percent per year in terms of full-time student enrollment, while its annualized total resources per-student grew 2.4 percent. Ferris was the only one of the state’s 15 public universities whose combined rate of state support and tuition was less than its rate of student growth.

In presenting the findings of this report to the university’s Board of Trustees, President David Eisler noted, “It is very gratifying to see an objective review of state universities reflect the work we have put into constraining costs. We have made difficult decisions over the past decade to implement efficiencies and absorb state funding reductions rather than putting that burden on our students.”

The HFA report shows that Ferris overcame two different hurdles in constraining its costs while growing its mission.

First, the report documents that Ferris' annual increase in cost per student was 2.4 percent, well below the national indicator of Higher Education Price Index of 3 percent, and very close to the Consumer Price Index rate of 2.3 percent. By contrast the average for all public universities was a percent above the CPI and a half-percentage point above the HEPI.

Second, Ferris is one of seven Michigan public universities with unfunded liabilities under the Michigan Public School Employees' Retirement Systems. The report notes that the seven MPSERS universities will pay 13.41 percent for their MPSERS employees in addition to payroll of non-MPSERS staff and part-time employees. In his testimony to the Michigan House Appropriations Subcommittee on Higher Education this past March, Eisler noted that Ferris returned 21.6 percent of its state appropriations to cover MPSERS costs.

"Ferris State University's ability to constrain costs for its students has come about as a result of a university-wide effort to keep a Ferris education affordable for our students," Eisler said. "While we will continue to face challenges, this report shows that our university has created a culture of fiscal responsibility that is good for our students, and the state as a whole."

To read the full report, click here:

http://house.michigan.gov/hfa/PDF/HigherEducation/State_Appropriations_Tuition_and_Public_University_OperatingCosts.pdf

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Sandy Gholston
News Services and Social Media Manager
Ferris State University
420 Oak Street
Prakken Building 108
Phone: (231) 591-2021
News Services Web site: www.ferris.edu/news
Ferris State University News Blog: ferrisstatebulldogs.blogspot.com/

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