



University of  
New Hampshire

University System  
*of New Hampshire*

# Partnering for the Future

## Investing in Public Higher Education

Senate Finance Committee

April 25, 2025

# USNH State Funding FY 24/25 vs House Adopted



<i>in millions</i>	Actual			Adj Auth			House Adopted			Biennial Decrease		Governor's Recommended		
	FY 24	FY 25	Total	FY 26	FY 27	Total	\$	%	FY 24	FY 25	Total			
	NH tuition offset/statutory programs	\$ 95.0	\$ 95.0	\$ 190.0	\$ 66.2	\$ 66.2	\$ 132.4	\$ (57.6)	-30%	\$ 91.2	\$ 91.2	\$ 182.4		
One time funding:														
Keene State and Plymouth State	\$ 3.0	\$ -	\$ 3.0				\$ (3.0)	-100%						
UNH Whittemore Center	\$ 6.0	\$ -	\$ 6.0				\$ (6.0)	-100%						
<b>Total</b>	<b>\$ 104.0</b>	<b>\$ 95.0</b>	<b>\$ 199.0</b>	<b>\$ 66.2</b>	<b>\$ 66.2</b>	<b>\$ 132.4</b>	<b>\$ (66.6)</b>	<b>-33%</b>						

The House adopted FY 26/27 funding is a 30% or \$57.6 million reduction from current levels (excluding one time State funding in FY 24). This deep reduction is unsustainable for USNH and will severely erode its ability to deliver on driving future workforce in NH. The Governor recommended a 4% or \$7.6 million reduction, which will be felt, but can be managed.

As the State with the oldest workforce in the country, support for USNH is an investment in NH's future workforce, economy and quality of life.

# Where Does the State Investment Go?



<b>State General Fund Appropriation</b>	<b>Budget FY25</b>
UNH	\$ 51,871,153
Keene	14,181,720
Plymouth	14,887,540
<b>Subtotal, Tuition Offset</b>	<b>\$ 80,940,413</b>
Agricultural Experiment Station	\$ 4,852,996
Center for Industrial Research Development	157,651
Cooperative Extension Service	4,505,600
Cooperative Extension Service Counties	3,551,130
Marine Research and Development	992,210
<b>Subtotal, Statutory Programs</b>	<b>\$ 14,059,587</b>
<b>Total</b>	<b>\$ 95,000,000</b>

The State investment buys down in-state tuition (about \$7300 per NH student in FY 25) and partially funds impactful statutory programs such as Cooperative Extension. Other statutory programs such as tuition waivers for national guard and foster children are funded by USNH.

# In-State vs Out-of-State Net Tuition

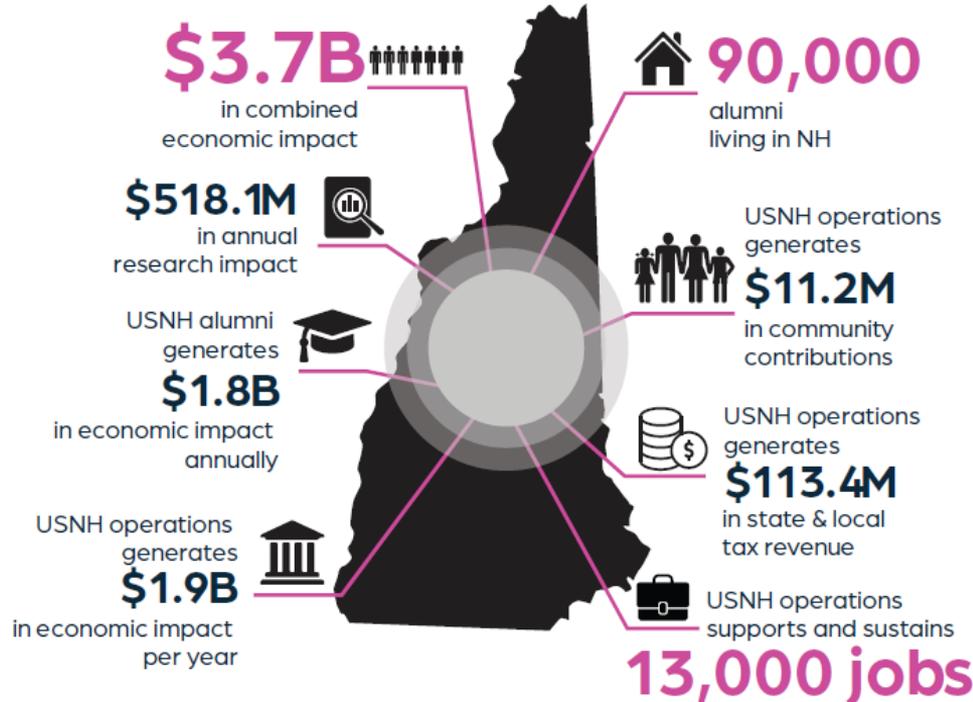


<b>Total FY 25 State Appropriation for NH Student Tuition Offset</b>	<b>\$81 M</b>
State funding per NH student FTE of 11,161	\$7,257
Average Net Tuition Cost per NH student	\$6,998
Average Net Tuition Cost per non-resident student	\$16,629

On average, NH students pay 42% of what non-residents pay for tuition directly because of the State investment.

# USNH Annual Economic Impact for NH

## THE UNIVERSITY SYSTEM OF NEW HAMPSHIRE



- Largest provider of postsecondary education in the State, educating approximately 23,000 students.
- Largest importer of young talent, attracting approximately 13,000 out-of-state students each year.
- Contributes 3,000 new graduates to the NH workforce each year.

Source: Nov 2023 USNH Economic Impact Study conducted by Parker Philips. See full report: [www.usnh.edu/sites/default/files/media/2025-04/usnh-economic-impact-study-2023.pdf](http://www.usnh.edu/sites/default/files/media/2025-04/usnh-economic-impact-study-2023.pdf)

# NH Top Occupational Demand Requiring Postsecondary Education



*Top 12 occupations by education level with “Very Favorable Outlook” and highest average annual openings projected 2022 to 2032  
(NH Employment Security, Economic and Labor Market Information Bureau)*

**K** Keene State / **P** Plymouth State / **U** UNH

BACHELOR’S with avg annual openings	PROG
Manager: General/Operations 1,537	<b>K P U</b>
Registered Nurse* 852	<b>K P U</b>
Software Developer 748	<b>K P U</b>
Accountant, Auditor 689	<b>K P U</b>
Marketing, Market Research Analyst 495	<b>K P U</b>
Human Resources Specialist 455	<b>K U</b>
Management Analyst 454	<b>P U</b>
Manager: Financial 403	<b>K P U</b>
Project Management Specialist 314	<b>U</b>
Manager: Computer/Info Systems 310	<b>P U</b>
Counselor: Mental Health, Subst Abuse 268	<b>U</b>
Sales Rep: Manufacturing, Tech, Sci 236	<b>K P U</b>

MASTER’S / DOCTORATE with avg annual openings	PROG
School Counselor: Ed, Guidance, Career (M) 187	<b>P</b>
Nurse Practitioner (M) 161	<b>U</b>
Lawyer [not specified] (D) 106	<b>U</b>
Physical Therapist (D) 96	<b>P</b>
Physician Assistant (M) 83	
Occupational Therapist (M) 70	<b>U</b>
Speech-Language Pathologist (M) 67	<b>U</b>
Social Worker: Health Care (M) 56	<b>U</b>
Postsec Instructor: Nursing (M) 51	<b>U</b>
Postsec Teacher: Business (D) 36	
Postsec Teacher: Health Specialties (D) 36	
Social Worker: Ment Health, Subst Abuse (M) 32	<b>U</b>

\* Associate degree min education requirement

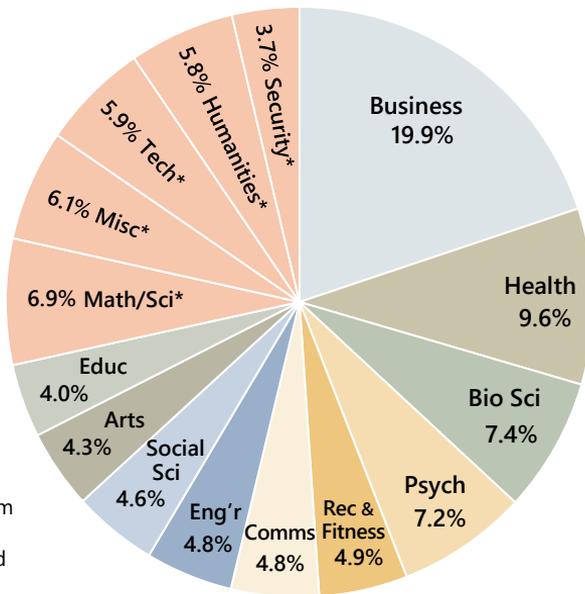
Projected job openings, outlook, and minimum education requirement data from NH Employment Security, Economic and Labor Market Information Bureau. “Very favorable outlook” describes a combined growth rate of at least 5.6% and at least 23 annual job openings. These occupations are expected to provide the best employment opportunities through 2032. Average annual openings include exits and transfers.

# USNH Degree/Certificate Program Completions 2024

## Top 10 Program Disciplines & All Other

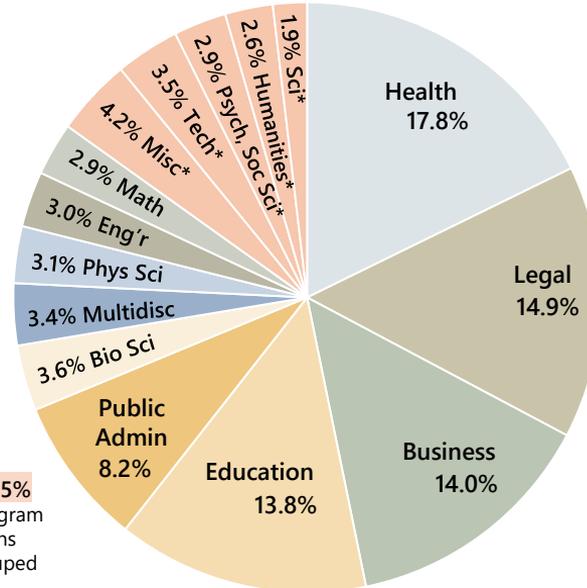


**Undergraduate Completions**  
N = 4,347



\* All Other 28%  
Numerous program classifications generally grouped

**Graduate Completions**  
N = 1,445



\* All Other 15%  
Numerous program classifications generally grouped

# Graduates Entering NH Workforce Annually

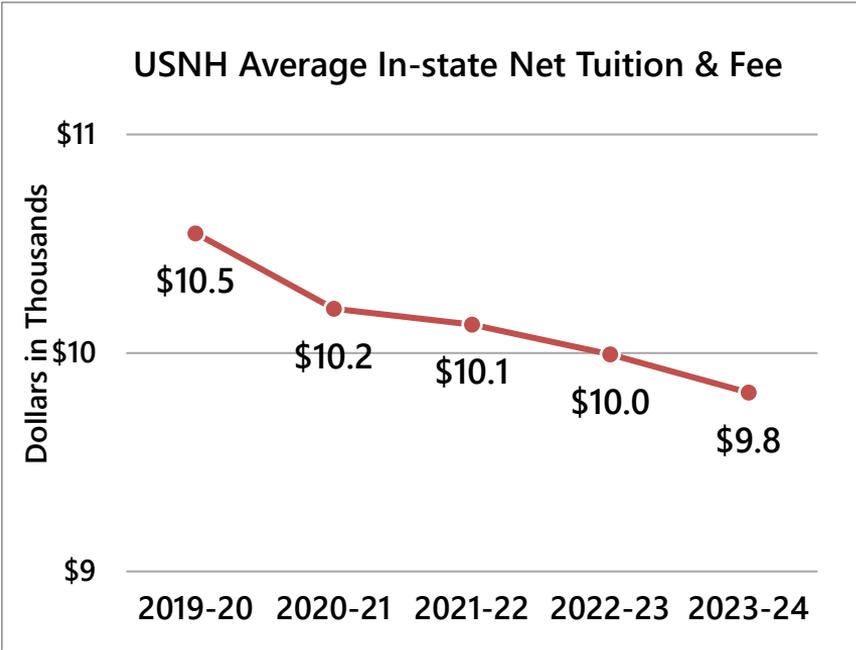


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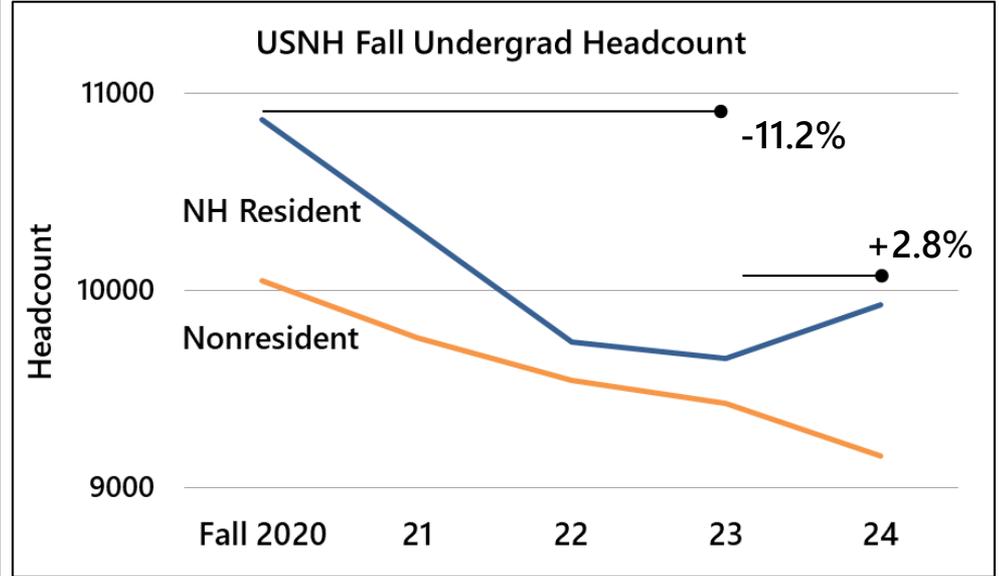
- 2000 Based on NH Employment Security (NHES) aggregate employment records (2023 Q2), about 42%+ of graduating 2022 bachelor's students (~4,700) were working in NH within 1 year of graduation
  - 750 Based on the 2023 First Destination survey, about 60% of graduating postbaccalaureate/master's students (~1300) were working in NH within 1 year of graduation
  - 150 Applies an average of the two rates (~50%) to doctor's degree grads (~300)
- 
- ≈ 3000 USNH graduates (about 52%) entering NH workforce annually

Based on NHES employment records, **about 80% of grads working in NH within 1 year of graduation were NH resident students** and about 20% were nonresident. **We need to keep NH students in NH.**

# Tuition Freezes and More Financial Aid Helped Increase NH Student Enrollment



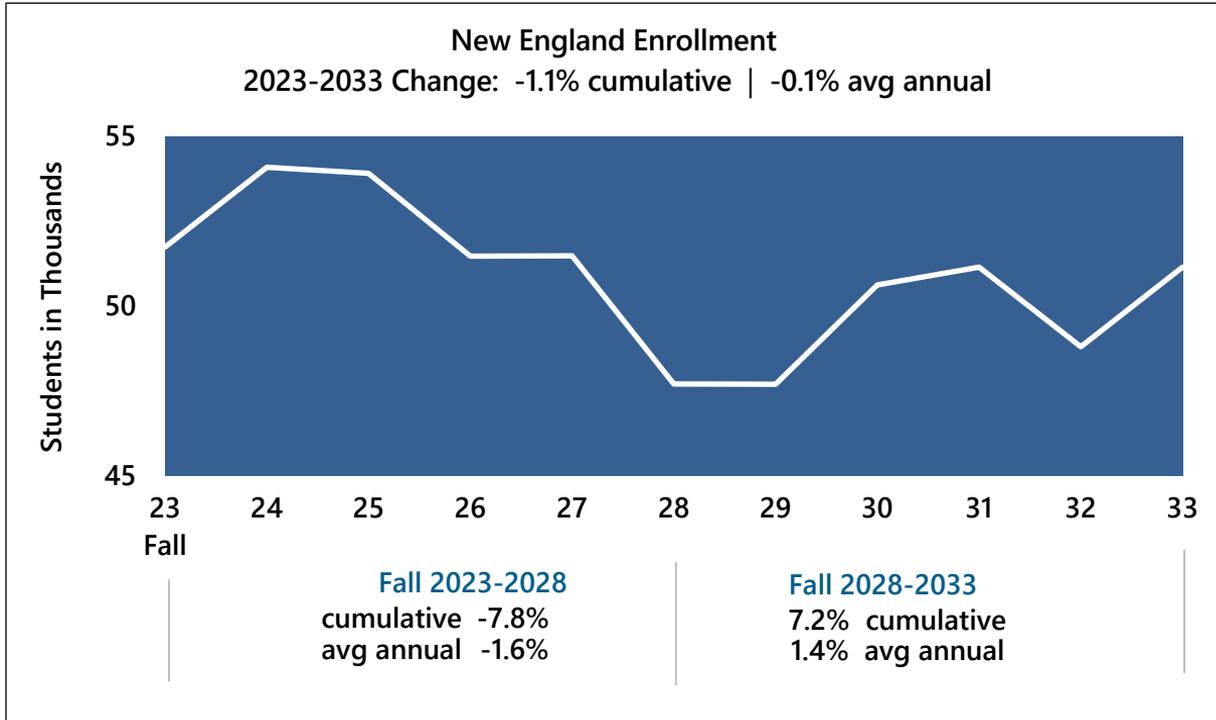
Inflation grew 23% over this period while net tuition and fee price dropped 7%.



After 12 consecutive years of NH undergrad enrollment decline (fall 2012-2023: -37.3%), the number enrolling at USNH institutions increased in fall 2024, with a gain of 273 students.

Average in-state net tuition and fees = Matriculated NH undergraduate gross tuition and mandatory fee revenue, less financial aid from institution funds, divided by matriculated undergraduate 12-month FTE.

# First-Year Student Enrollment Projected to Decline Further New England Public 4-Year College-Goers



# USNH Saw this Coming and Continues to Act



- Started reducing cost structure in FY 19:
  - Consolidated enterprise technology, strategic procurement, HR, accounting, finance, accounts payable, research administration, and more.
  - Over a period of 23% inflation, non-grant employee compensation increased 3%.
    - Fewer faculty and staff (reduction of 5.4% FT and 19% PT since 2019).
    - Reduced employer contributions for retirement in 2021
    - Reduced medical plan benefits and increased employee premiums in 2021 and 2025, reducing actuarial value of plan 3% each time.
  - Selling and demolishing buildings to reduce footprint and exiting leased space
  - Investing in new technology to drive administrative efficiency

# Compare FY 19 to FY 25 (Excluding Grant Funds)

## Revenue not keeping pace with expenses



\$ in millions	FY19	FY25	Proj vs FY19	Proj vs FY19
	Final	Projection	\$ Favorable/ (Unfavorable)	% Favorable/ (Unfavorable)
Resident tuition	166.2	158.0	(8.2)	-4.9%
Nonresident tuition	307.3	321.6	14.3	4.6%
Continuing education tuition	19.6	9.5	(10.1)	-51.6%
Student Fee revenue	28.6	20.7	(7.9)	-27.6%
<b>Gross Tuition Revenue &amp; Fees</b>	<b>521.7</b>	<b>509.8</b>	<b>(11.9)</b>	<b>-2.3%</b>
Less: student financial aid	(162.6)	(196.8)	(34.2)	21.0%
<b>Net Tuition &amp; Fees</b>	<b>359.1</b>	<b>313.0</b>	<b>(46.1)</b>	<b>-12.9%</b>
State of New Hampshire general appropriations	81.0	95.0	14.0	17.3%
Sales of auxiliary services	214.5	221.1	6.6	3.1%
Other Operating Revenue	108.7	139.3	30.6	28.1%
<b>Total Operating Revenue Excluding One-Time Impacts</b>	<b>763.3</b>	<b>768.4</b>	<b>5.0</b>	<b>0.7%</b>
Employee Compensation	469.1	484.2	(15.2)	-3.2%
Other Operating Expense	273.5	293.5	(20.0)	-7.3%
<b>Total Operating Expense Excluding One-Time Impacts</b>	<b>742.6</b>	<b>777.7</b>	<b>(35.1)</b>	<b>-4.7%</b>
<b>Recurring Operating Margin Before One-Time Impacts</b>	<b>20.8</b>	<b>(9.3)</b>	<b>(30.1)</b>	<b>-144.9%</b>
One-Time Operating Margin Impacts	0.0	(21.6)	(21.6)	0.0%
<b>Operating Margin Including One-Time Impacts</b>	<b>20.8</b>	<b>(30.9)</b>	<b>(51.7)</b>	<b>-249.0%</b>
Operating Margin %	2.7%	-4.0%		

**Note: inflation rose 23% over this period**

# There Are More Difficult Choices Ahead

*(without a deep cut in State funding)*



## 'Gap' to achieve a 1% Systemwide operating margin FY25-FY30

University System of New Hampshire (\$ millions)	FY24 Prelim Actuals	FY25 Budget	FY26 Model	FY27 Model	FY28 Model	FY29 Model	FY30 Model
Operating Revenues	\$951	\$942	\$951	\$965	\$982	\$997	\$1,010
Operating Expenses	\$925	\$946	\$960	\$981	\$1,006	\$1,031	\$1,058
Operating Margin/(Loss)	\$26	(\$4)	(\$9)	(\$16)	(\$24)	(\$34)	(\$48)
Operating Margin/(Loss) %	2.8%	(.4%)	(1.0%)	(1.7%)	(2.5%)	(3.5%)	(4.7%)
USNH 1% Systemwide Margin Target		\$9	\$9	\$10	\$10	\$10	\$10
<b>Estimated Gap to 1% Operating Margin</b>		<b>\$13</b>	<b>\$18</b>	<b>\$26</b>	<b>\$34</b>	<b>\$44</b>	<b>\$58</b>

- Assuming 1% annual OM, the estimated gap could be as high as \$50M+ by FY30 if further action is not taken

USNH understands the landscape, it will right-size and will continue to successfully manage through these real challenges, however a steep reduction in the State's investment will be crippling during this period.

# Despite Headwinds USNH Invests in NH



- UNH Spaulding Life Sciences: partnering with \$35 million in State capital budget support, USNH invested an additional **\$60 million** to better compete and provide a pipeline to the life sciences industry in NH.
- PSU Hyde Hall: partnering with \$6 million in State capital budget support, USNH invested an additional **\$23 million** to create the home for key economic and entrepreneurial workforce development in the North Country and Lakes Region of New Hampshire.

# Partnering for the Future



- USNH is committed to its public mission and will continue to invest in NH’s future, but it must be on a strong footing and have a lasting partnership with the State to do so.
  - Keep NH students in NH to drive workforce.
  - Continue research mission to support and attract businesses and drive innovation.
- Higher education is changing and USNH is adapting. It will make difficult choices in the immediate future to ensure a financially sustainable public higher education system for our State.
- USNH welcomes improved and ongoing dialogue with elected officials to ensure priorities are aligned for the State.
- **USNH respectfully requests State funding be held at the Governor’s recommended levels to ensure the NH Advantage continues to thrive in the future.**

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