

Fwd: DRAFT response to State of MN

From: Brian Burnett <burnett@[REDACTED]>
To: Joan Gabel <jgabel@[REDACTED]>
Sent: March 13, 2020 1:41:09 PM CDT
Received: March 13, 2020 1:41:14 PM CDT
Attachments: COVID-19 Financial Impact draft.docx, untitled

Brian Burnett, PhD

Senior Vice President

University of Minnesota

Sent from my iPhone

Begin forwarded message:

From: Michael Volna <volna001@[REDACTED]>
Date: March 13, 2020 at 1:39:27 PM CDT
To: Karen Hanson <karhan@[REDACTED]>, Robert Mc Master <mcmaster@[REDACTED]>, Brian Burnett <burnett@[REDACTED]>, Julie Tonneson <tonne001@[REDACTED]>, JD Burton <jdburton@[REDACTED]>
Cc: Elizabeth Eull <eullx001@[REDACTED]>, Deborah Cran <cranX001@[REDACTED]>
Subject: DRAFT response to State of MN

As promised, I've attached a draft response. Examples were based on the notes that I took and that John Burczek Dreier captured. I feel like there may be additional examples that could be added. Feel free to drop additions into the document, or email them to me.

Mike

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1. COVID-19 Financial Impact draft.docx

Type: application/vnd.openxmlformats-officedocument.wordprocessingml.document
Size: 15 KB (15,378 bytes)

2. untitled

Type: text/html
Size: 178 bytes

UNIVERSITY OF MINNESOTA
ESTIMATES OF FINANCIAL IMPACT RELATED TO COVID-19
March 13, 2020

Estimating the financial impact of the COVID-19 virus to the University of Minnesota this early in the virus' lifecycle is extremely difficult. We do not yet know the magnitude or duration of the virus. Because of the high degree of uncertainty in how long the virus will impact us, developing a reliable estimate is , the University provides a range in its estimate. The following assumptions are used:

1. The estimates assume the majority of financial impact is known and felt by June, 2020.
2. With the exception of for-credit international programs, students currently enrolled will be able to complete their classes and receive the academic credits that they have enrolled for, and we assume no tuition refunds will be required.
3. If externally-funded sponsored projects are delayed, sponsors will not financially penalize the University with respect to delays in project milestones or timelines.
4. The recurring financial impacts on academic year 2020-21 and beyond are not estimable.

With those assumptions and caveats, the University of Minnesota estimates the range of one-time financial impact through June 30, 2020 representing both revenue losses and incremental additional expenses, is **\$20-\$50 million**.

Examples of financial impacts currently being incurred include:

- The University has cancelled all international academic programs, requiring the return of about 500 students and many faculty and staff who have been overseas. The estimated lost revenue from cancelled international programs approximates \$9 million.
- The University has cancelled all athletic events and programs on campuses, including NCAA events, MSHLS events, and Northrop programs, resulting in lost revenues from ticket sales, concession sales, and parking revenues.
- The University will incur additional costs in quickly developing ways to provide instruction through alternative means, including online delivery.
- Additional costs are being incurred for additional cleaning in housing, dining, classroom, and public areas.
- All non-essential travel has been cancelled for faculty and staff, resulting in unreimbursed travel expenses and additional fees.