

**BUDGET SUB MEET & CONFER**  
**TUESDAY, MARCH 21, 2006**  
**3:00 PM – CSU 204**

Attendees: Michael Bentley, Jean Haar, Phillip Miller, Victoria Peters, Linda Wenkel, Mark Parsley, Jerry Anderson, Karen Foreman, Mike Hodapp, Sandi Jessen, Lynn Akey, Kevin Buisman, David Cowan, Scott Johnson, Rosemary Kinne, Steve Smith, H. Dean Trauger, John Winkworth and Margot Zelenz and Rob Wills. Guests: Jan Marble, Garnet Cafourek and Tracy Pellett

**Please note: The agenda and supporting documents can be obtained at Web site <http://www.mnsu.edu/finadm/submeetconfer/>.**

**1. Discussion Items** – No items were brought up for discussion.

**2. Tuition Policy on Drop for Non-Payment (Jan Marble and Garnet Cafourek) –**  
There is going to be a change in the tuition payment policy which was put together through MnSCU's Common Business Practices Group. This is a significant change so it is being communicated to as many groups as possible. The Chancellor gave a charge to make recommendations for changes to business practice variances in MnSCU. The Board of Trustees passed Policy 5.12 which mandates that colleges and universities drop classes for nonpayment of tuition and fees. We expect students to understand that they are entering into a financial obligation when they register for classes and expect them to have made plans to meet that obligation. If they pay their charges in full, have financial aid in process, are waiting for other third-party sources or sign up for installment payments, their classes will not be dropped. This information must be apparent on their account. We have to establish due dates and plans for carrying out this new procedure. Information regarding the minimum payment criteria that must be met by the due dates to avoid an administrative drop is on the Campus Hub Web site. There will be two different drop dates depending on when the student registers—August 5 or after the 5<sup>th</sup> day of the term. They have been discussing issues that could come up and what happens if a student is dropped. If there is no good reason for not paying, the student has to re-register. If there was an error by MSU, we will work as hard as we can to get the student back into their courses. We hope the measures we are taking will keep that to a minimum. We have had an internally administered three installment payment plan. Next year or the year after all institutions may have to have the same procedure. Accounts Receivable collection will be necessary because non-payment does not mean "paid in full". Anybody who talks with students needs to know about this, and whatever they say to students must be correct. Graduate assistants come in late in August, so we need to have a communication mechanism with departments so the graduate assistants are not dropped. Prepayment for spring is available from when they register to when charges are out in July. Most of the publicity for this change will start now. If anyone has questions or thoughts about this, let Jan or Garnet know. The communication plan is attached to the handout Jan distributed. Important dates are on the Campus Hub Web site and are included in the handout. The goal is to get the information to as many people as possible as well as students. MnSCU's goal is to get consistency among the schools in the system regarding business rules. Some MnSCU institutions have already been dropping classes for nonpayment. There are "phantom" students who register but do not intend to come. If they

are not dropped, we have spaces taken up and students who want to attend, cannot do so. There is going to be a "soft" implementation of this new policy. What we have now is very lenient. If someone has applied for financial aid, his/her registration will be safe, but applying does not guarantee the individual will get financial aid. There are nearly 4,500 financial aid applications for next year. We have over 30% of this year's number in for next year based on last year. Our goal is not to drop a lot of students. We are going to put posters around campus. Reminders are sent for installment dates. In the future they are looking at an external payment provider. There are a number of students who have not paid anything yet for spring semester. There should be articles in the *Reporter*. The first cancellation date is August 11, 2006. This new policy will be included in summer orientations. We have the most "phantom" student fall semester. Screens are in place on the tech side and are being tested. The developers are confident they know what they are doing. They are saying the volume will not be a problem as it was during fall 2005. The issue we had last August with volume has been resolved. There was no problem with spring semester. About 700 students have not made any payments at all. We have a number of students who don't pay for tuition and fees until the next semester starts. There are late fees. We have to get the information out and students have to understand. The 700 students who have not paid anything will be specifically contacted. We have to get through next fall and spring before deciding when to make it a harder change. Eventually, students will have to pay in full unless they have financial aid pending or are on the installment plan. The \$300 payment to keep classes is refundable if they drop by the fifth day of classes.

**3. Evaluation System for Institutional Goals (Tracy Pellett)** – An evaluation system is being proposed on campus. It is part of the institutional goals that we look at them more closely to see if we are doing the things we are saying we are doing institutionally. Tracy distributed copies of the draft evaluation system that that was prepared by the Assessment Coordinating Counsel. The counsel has representatives from all divisions. It is being taken to campus groups for feedback and support. We have institutional goals and will look at one or two each year to determine if those goals are being met. Are they being assessed with good measures and are we actually doing the things that have an impact on what we should be doing institutionally. This is focused on institutional goals and not strategic priorities. Tracy asked everyone to review the draft and send suggestions to him. Tracy will attend the next BSM& Confer to get endorsement of this proposal. We need to find out from the evaluation process if the goals were achieved. We say we are going to be a campus of undergraduate excellence. It is not another method to rubber-stamp things. This whole process is designed to do the exact opposite. We say we are going to promote learning; do we do that? The target is where we would like to be headed.

**4. Student Pay Rates for FY07** – A group of 20 representatives from around campus reviewed the pay rates at other campuses and businesses in Mankato and gave a recommendation of a 3% increase in student pay for FY07. The group met with student representatives about this. The student group gave a recommendation of a 2% increase. It has been presented to Cabinet for discussion, and a decision will be made by the President about what the pay rate will be. The Cabinet discussed it yesterday and was leaning toward 3%. The students used to want larger pay rate increases; however, last year they recommended a 0% increase. VP Trauger will follow up with Mike Bruner as to why they only

want a 2% increase. An increase of 3% gets us in line with most student employment jobs off campus. Input on this increase was requested. The student pay group thought this pay increase would take effect the week before fall semester. There is a wrong perception that there are fewer student workers on campus. The only time this happened was when we lost state student work-study money. Those who lost student work-study workers then used M&E money. We get more applicants than we have jobs.

International students get in-state tuition if they have a certain GPA and do community service. International students can only work on campus. Send your thoughts to Rosemary by Friday regarding the student pay rate increase.

**6. Draft of FY07 Prioritized Institutional Equipment** – A year ago the FY06 equipment budget was prioritized and approved. The first 14 items were funded. There have been some salary savings and some equipment budget dollars have not been distributed, so the Cabinet has approved funding for items 15-41. The amount of \$710,000 will be available for purchases. The timeline for purchases of equipment items will be in May. Consider these in the next two weeks. Departments put in requests last year, so they should have all the information they need. Depending on what is purchased in FY06, we will have to review FY07 to see if they were on that list and need to be removed. Requisitions need to be sent to Purchasing in the next two weeks. It is difficult to close out the year if a lot of products arrive in July. We do not have enough time to turn around to get financial statements done. The group that prioritized the equipment list last year were from each division. When the FY06 equipment budget was sent out, we didn't distribute all of the equipment budget. We did this because of the contract negotiations and enrollment unknowns. Utility costs are hard to project because we receive our bills so late. We can give out more equipment money next fall or in July if we have an increase to the reserve. Of the \$75,000 equipment money approved, \$20,000 has not been used. The same process was used for prioritizing FY07 institutional equipment. This list has not gone to Cabinet. The committee can meet after the FY06 list is reviewed. Items on the FY06 list do not automatically go on the FY07 list.

**7. Other Items** – The Planning Committee sent to each division the criteria they developed as well as the flow chart for strategic priority funding requests on how they are to be submitted and prioritized for strategic priority funding. These are to be completed and sent to the vice presidents by March 24. Planning meets on March 31. Rosemary Kinne will e-mail the attachment that was sent to division heads and to BSM&C members. This year's strategic initiative requests can be submitted by divisions. Some task force requests go across division lines. Anyone can submit requests to their VP.

We hope to have an update on the FY06 budget at the next meeting on April 4, plus a presentation by Fernando Delgado regarding doctoral programs.