

**BUDGET SUB MEET & CONFER**  
**TUESDAY, APRIL 24, 2007**  
**3:00 PM – AH216**

**Please note: Budget Sub Meet & Confer agendas and supporting documents are located on Web site <http://www.mnsu.edu/finadm/submeetconfer/>.**

Attendees: Rick Straka, Chair, Jean Haar, Co-Chair, Michael Bentley, James Bailey, Mary Bliesmer, Victoria Peters, Mike Hodapp, Lynn Akey, David Cowan, Avra Johnson, Rosemary Kinne, Michael Miller, Pat Swatfager-Haney, John Winkworth, Sharon Sandland, Jason Schilling, Dan Elliott, Judie Ziemke and guests Warren Sandman, Scott Page, Linda Duckett, Anne Blackhurst and Michelle Washington Carter.

The agenda was reviewed. Strategic Initiatives on Funding was added.

**1. Discussion Items**

Vice President Rick Straka stated that they are building the budget with FYE in mind. It will probably be June before the budget is ready to go. Some concern that the session may pass bills that the governor will veto. Two years ago the special session “shut down”. There is a lot of tax revenue supporting bills that the governor does not support.

**2. Proposal on the Indirect Cost Recovery Procedures – Anne Blackhurst and Michelle Washington Carter**

The name for Indirect Costs has been changed to “Facilities and Administration Costs”. A handout was distributed and explained by Michelle Carter. Discussion was held regarding the handout and procedures. Colleges would be responsible for their own policies on how these funds are handled and if they are allowed to be carried forward. A recommendation was made to wait a year prior to implementing any new proposal to enable time to spend down money in the accounts. Cabinet will have to work on the process of allocation. Feedback should be forwarded to Rosemary Kinne prior to the May 10 Meet and Confers.

**3. Proposal on the Structure of Institutional Assessment - Avra Johnson, Linda Duckett and Michael Miller**

A handout was distributed explaining the four models for Assessment that needs to be considered. Each model suggests a direction in which the assessment piece of planning, budgeting and assessment would progress.

Model 1- To expand the current program review and assessment to have the same membership base as planning and budget sub meets and confers. (This is the recommended model that makes the most sense.)

Model 2 – To leave the sub meet and confer as it exists.

Model 3 – To develop a new committee structure similar to planning and budget.

Model 4 – To build a subgroup within planning to work on institutional wide tools and measures.

This will be taken to meet and confers for discussion.

**4. Differential Tuition Proposal – Scott Page and Jean Haar**

Departments within the College of Education offer professional development in conjunction with MS Degree within the COE. The amount of differential is \$200 per credit hour. See attached handout for further information.

**5. FY08 Budget**

**a. Budget Assumptions – VP Rick Straka**

These are preliminary planning numbers. Fond de Lac is losing their BIA money. No tribal college affiliation, didn't meet number of students. This is a nationwide issue. Reallocations will be made from every institution to help Fond de Lac.

Need to add \$250,000 to annual operating budget each year to maintain reserve at current levels. We pay 1/6 of the cost of capital projects over 10 years. Trafton has increased our debt service. In FY09, Trafton will add new expenses including utilities and staff. 150 increase to FYE will help to balance the budget.

We won't have \$1.1 million of salary savings because we are much more efficient at filling positions. We need to bring long-term expenses and revenue into balance, not realizing salary savings.

Positive budget items – One-time kind of issues

Negative budget items – Long-term (build into base budget)

Not allowed to go over the 4% tuition, not going to be an option. Not great budget news, but have some flexibility. It will be a status quo budget with fenced money.

Henry Morris reported that enrollment for FY08 is up 367 registrations from last year. 150 FYE is very doable. Res. Hall numbers are along the same curve. Transfer numbers are down. During orientation last week, the numbers were above last year.

**b. Funding Summary – Request, Governor, Senate and House**

A handout was provided for reference.

**6. Information Items – Rosemary Kinne (Handouts were provided)**

**a. Preliminary FY08 Non-Salary Budget Division Base Budgets**

The FY07 Non-Salary Budget and the Preliminary FY08 Non-Salary Base Allocation are the same. They are based on a zero percent increase for non-salary.

**b. Preliminary FY08 Core Equipment Budget**

The Core Block Equipment Allocation Proposal was handed out. This will be distributed to each division for planning.

**c. Approved FY08 Institutional Equipment**

The FY08 Institutional Equipment and Furnishings Prioritized List was distributed. Cabinet approved funding through Project #22 for a total of \$552,548. Cabinet will decide how much to pay after this out of 75 items on the list.

**d. FY08 Student Pay Rates**

The matrix for FY08 Student Employee Budget Planning was distributed and is ready for planning.

**7. Other Items**

**a. Strategic Initiative on Funding (VP Straka)**

\$6 million in strategic initiatives received. Early next year we will have to move forward with divisions on funding including starting the process to find the money internally. Be prepared for forced reallocation. Hard decisions will have to be made. There will be no new money from legislature and can not get from the students.

**Meeting was adjourned.**