

BUDGET SUB MEET & CONFER
Tuesday, October 13, 2009
1:30 P.M. – CSU 238

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, Mary Bliesmer, Co-Chair, Kevin Elliot, Kitty Foord, Eiji Kawabata, Daardi Sizemore, Mahbubur Syed, Gary McKinley, Mike Menne, Sharon Sandland, Deb Schulz, Mike Hodapp, Kevin Buisman, Avra Johnson, Rosemary Kinne, John Knox, Warren Sandmann, Steve Smith, Margot Zelenz, Carol Stallkamp, Yacka Sene and Vickie Hanson.

Guests: Claudia Tomany

The minutes from the previous meeting were approved.

- 1) Discussion Items/Changes to the Agenda** - The agenda was reviewed and approved.
- 2) Scandinavian Studies Director, Claudia Tomany regarding carrying over funds for copying**

Discussion was held regarding the change in procedure for copying cards. Printing Services wanted to update the old (white copy cards) as they were no longer functional, moving the process to a MavCard type card that can store money on it. Accounting has seen a significant number of copying cost charges crossing over fiscal years. From an accounting standpoint we have to account for expenditures in the year they have occurred.

Claudia Tomany expressed concerns regarding not receiving any advance notification to the change in procedure and how it affected departments who purchased prepaid copy cards as well as it being a fairness issue with departments punished with budget reductions. VP Straka said we fell short in the communication part. As part of the process now when you sign up to purchase a card there is a form that clearly explains the process. This year we will look at putting a one-time adjustment on any carryforward as there are about ten departments with over \$250 in copy card dollars. Claudia's department will be given credit for the \$166 on their account. Any general fund accounts were credited for all the carryforward amounts.

The university does not want to promote a use it or loss it approach to the budget.

- 3) Differential Tuition Proposal for Graduate Nursing Program (Mary Bleisner)**

Mary brought the proposal forward for review and discussion. The proposal has already been approved and signed by the College Curriculum Committee, UCAP and LTR or DL Taskforce. Dr. Sonja Meiers was the lead person to develop the program, but since she is on a leave of absence has asked Mary to continue the process. Some of the highlights on what the \$100/credit differential tuition would be used for are:

 - a. To assure continued success in completing a thesis, the faculty proposes hiring a part-time professional writer/editor to assist students writing course papers and particularly thesis.

- b. Designation of a student support facilitator to provide support services for all master's level students in the School of Nursing.
- c. To enhance the School of Nursing ability to offer hi-fidelity simulated learning experiences for graduate students.

This would begin in FY2011 so students would know about the differential tuition prior to enrolling in the program. We still have a fairly cost effective masters program as compared to other universities.

Dean Knox expressed concerns:

- 1) Is it stated anywhere in the proposal that this is for masters only? Does not feel it is stated all explicitly. A comment was made that the wording could be changed as it is intended to be only masters.
- 2) Why are we providing editorial and writing support services for students writing their thesis? The point of a thesis is that the student does the editing and work on their own thesis.

After discussion, Mary Bleismer recommended the proposal for approval with Mike Hodapp seconding the motion. With no further discussion the proposal was passed by the group and signed by VP Straka.

The question was asked if anyone can ask for differential tuition. There is a process in place on this. It is geared primarily for graduate programs, although the Metro area did an undergrad differential tuition. The students are requesting a task force to review differential tuition this year. This is on the Meet & Confer agendas for Thursday.

4) Annual Budget Timeline for FY11

Cabinet met this week and talked about where the university is going in the next couple of years and if they should put out the budget timeline and look at that process again this year. Cabinet is suggesting we look at divisional status quo budgets for FY11 and concentrate efforts on the FY12 budget crisis. We can go forward with the current budgets we have in FY10 and keep those for FY11. We are open to discussion on what people think of this approach.

BESI results will be known by November 16. It was announced today that an MOA with the IFO was signed to extend their early retirement deadline from October 15 back to November 16 to give faculty another month. BESIs are starting to come in. There are three to retire by the end of the year. We are looking at approving some for people who approach the rule of 90 or for other reasons can't retire this year, but can next year. In that case we are looking at the long-term approach and savings. There are a couple of places to look for that:

- 1) Federal stimulus money that we have set aside for BESI. \$2M bridge funding and \$400,000 that is set aside with possibly another \$400,000 next year as long as the incentive is paid for by September 2011.
- 2) We have \$2.5M set aside for compensated absences. Rainy day fund to pay for the incentive.

Deallocation is a possibility for next year. As said earlier in a budget update this summer our projection for next year shows us approximately \$2M to the good. We are holding that for a couple of things: An unallotment, BESI costs and other one-time kind of things. The last unallotment to the university was \$1.5M.

It's too early to project FY11 enrollment numbers. This last year students decided late to enroll. We really saw a difference in our Financial Aid Office the last two weeks before school started. Loans that usually came in June and July did not come in until two weeks before school. Students didn't get their loans in time because they were 6-8 weeks behind the normal pattern of when loans are in for processing. We expect that trend to continue.

Future budget percentage gauge for FY12, we should be looking at levels similar to last year around the 10% level in reductions, based on a \$7B state projected budget deficit.

Enrollment this year at two-year institutions is up 7-8% and at four-year universities up 1-2%. The increase to two-year institutions seems to be a trend nationwide.

5) FY10 Printing Allocation (Rosemary Kinne)

Several years ago we were required to move our printing services allocation from the general fund to be self-supporting including salaries. At that time salaries against the general fund were \$286,210. Each year we pull the prior year expenses and do a 5 year average. With only \$286,210 to distribute an average percent of expenditures is used to get at the allocation for FY10. An email will be going out to the Vice President's soon with the detail of the department cost centers so the money can be distributed. This is planned in the budget every year for distribution.

6) Report for Indirects SubCommittee (Rosemary Kinne)

SubCommittee members are: Warren Sandmann, Gary McKinley, Deb Schulz, Daardi Sizemore, John Knox, Ellen Mrja, Rosemary Kinne, Kristel Lynch and Anne Blackhurst. It has been a very robust committee. An email was recently sent out about applying for grants of indirects. The carryforward of \$200,000 is available to anyone to apply for supporting externally funded contracts. The guidelines and an application can be found at: http://grad.mnsu.edu/research/frg/docs/external_funding_grants2009.pdf

There has been a lot of interest and applications are due by November 2. Then committee members will review all the applications and in early December will announce who will be receiving funding. They will then have from January 1-December 31, 2010 to spend the funds. If they do not use all the funds they will come back to the same fund for distributing again the next year. A \$5,000 minimum has been set for these grants so they don't overlap with the FRGs.

VP Straka reported that Steve Smith is in the process of finalizing the university financial statement and we are finished with our audit. We had a clean audit with no management comments on the overall audit. Our consolidated financial index is still a little over two. The HLC does not review anything over one. We are still in a financial position where the HLC doesn't need to do a financial review at our institution.

Steve Smith, President Davenport and VP Straka will be presenting at the financial statement exit audit at the Office of the Chancellor on October 26. Cabinet members are invited to participate via teleconference. At the next budget meeting we will share our management discussion analysis and highlight what was presented.

The next Budget SubMeet & Confer meeting will be held on November 17. Please hold this date for more financial based discussion including updates on BES1.

The Joint Budget, Planning and Assessment meeting will be held on November 19. This meeting will focus on the bigger picture items and will be more than financially based discussion.

The last Budget SubMeet & Confer of the semester will be held on December 8.

The meeting was adjourned.

**Next Budget SubMeet & Confer
November 17, 2009 1:30 p.m. in CSU238**

**Joint Budget, Planning and Assessment
November 19, 2009 12:00-3:00 p.m. in CSU284ABC**