Special Shared Governance Meeting

October 27, 2009

Administrative Decisions Regarding FY2011 Budget Reductions

1. Administration will retain the overall college goal, overall academic goal, and specific goal articulated in the October 8 Shared Governance Council agenda

2. Administration will proceed with the following layoffs:
   a. 2.0 FTE in ADMS
   b. 2.75 FTE in Cosmetology
   c. 1.0 in New Media (to be rescinded when curriculum is developed and approved)

3. Administration will establish a dean position through the reduction in release credits for program directors in college nursing programs. Administration will seek the assistance of an external facilitator to assist deans, program directors, and faculty members in
   a. analyzing all of the work that needs to be done to insure quality programs and services within ADN and LPN programs
   b. determining if the new dean should oversee all allied health programs or just nursing programs
   c. defining the roles and duties of the dean and the nursing program directors
   d. establishing a structure that insures continuity of program goals and achievements

4. Further consideration of release credit assignments for program directors of accredited programs is necessary. Administration will seek the assistance of an external facilitator to work with deans and program directors to analyze position expectations and determine the work that must be done by program directors and if the credits assigned accurately reflect the work load.

5. Administration agrees that continued discussion of division chair positions and the unique needs of the two campuses may yield a productive outcome. Faculty and administration must agree on a process and timetable through which to continue this discussion.

6. The Board Early Separation Incentive (BESI) will be offered to eligible individuals in the programs affected by lay-off.

7. Administration applauds the faculty position on tuition growth. We will work with the college constituencies and the student senates to set a modest a tuition increase as possible for FY 2011.

October 27, 2009 Special Shared Governance Council Meeting

Administrative Response to Faculty Response of October 22, 2009

Faculty Proposed Goals	*Administration will retain the following goals:*
Overall College Goal: Develop a balanced budget for FY2011 that advances the Strategic Plan of the college while maintaining the integrity of our offerings and student opportunities at our consolidated community and technical college and accommodates anticipated reductions to our current budget of at lease $700,000	**Overall College Goal:** Develop a balanced budget for FY 2011 that advances the strategic plan of the college and accommodates anticipated reductions of at least $700,000
Overall Academic Goal: Increase the efficiency of academic offerings and administrative guidance of our programs and our college while maintaining educational opportunities and providing an educated workforce for our region.	**Overall Academic Goal:** Increase the efficiency of academic assignments throughout the college to reduce budgets and enable development and implementation of new program initiatives
Specific Goal: Reduce administrators (actual and planned) to no more than 11 by Fall 2011 Minimally increase tuition by 2% to offset financial burdens created by state appropriation decrease Recognize other college reductions that enable college to set a balanced budget	**Specific Goal:** 17 Student FYE to 1 Faculty FTE Ratio College-wide by Fall Semester, 2010

Response to Administration budget Plan for FY 2011

Faculty: Faculty have already done our share to help lower the operating costs for Northland College because of the state-wide faculty vote in which we agreed to a zero percent pay increase for two years. Still in light of that sacrifice, the Administration plan places the burden to balance FY 2011 budget on the faculty, our programs and therefore, on our students.

Administration: All bargaining units and unrepresented employees have agreed to 0% pay increases for two years. These agreements have frozen salary expenditures for FY 2010, but have not reduced operating costs for the college. For FY 2011, faculty will be eligible for step progressions and benefits for all employees will increase 6.7% for calendar year 2011. Additional allocation reductions from the state budget require further reductions for FY 2011, and, probably, for FY 2012 and FY2012.

Faculty: There are two primary places our college gets it money from, the state and our students. It is the faculty who work with the students; we are the local revenue generators. Making the planned cuts will also not save as much as proposed due to the revenue that will be lost because of decreased student FYE's and by resale accounts lost due to the closure of Cosmetology. There has also not been a complete accounting of the true costs that will have to be paid as a result of the planned lay-offs.

Administration: The administration supports having faculty engaged in direct student contact, which results in student credit generation. Release credit assignments result in lower student/faculty ratios. We hold to the 3-phase analysis of release credit assignments: 1) is the work necessary? 2) If necessary, must it be performed by a faculty member? 3) If the work is necessary and it must be performed by a faculty member, are the expectations of the assignment clear and do they warrant the credit equivalent assigned. NCTC will suffer some loss of FYE due to program closures; it is anticipated that aggressive recruiting and marketing strategies will minimize this loss.

Faculty Alternative Budget Reduction Proposal

The faculty proposes a different option for addressing our planned budget shortfall for FY 2011.	**Administrative Response** The faculty proposal does not anticipate the full budget impact for FY 2011. Administration will present FY 2011 allocation information distributed from MnSCU Fiscal Services Division on 10/20/09.
-250,000 increase of tuition by 2% based on 2800 FYE for Fall 2011 (actual of $247,632)	Administration agrees that tuition increases will have to be considered for FY 2011
-150,000 only reinstate half of proposed equipment money	Administration believes that this suggestion will weaken instructional offerings and will create future back-logs.
-70,000 account for the moth balling of the Swenson House	This figure is not an accurate estimate of savings that will be achieved. While moth-balled, the house must still be maintained at a level that preserves the asset. Actual savings will be clear after FY10.
-130,000 use of reserve funds	Administration will not endanger the fiscal health of the college by reducing reserves to subsidize operational costs. Reserves will only be used for unanticipated needs and one-time separation costs. This position is prudent and necessary, given the uncertainty of state finances for FY11, FY12, and FY13
-100,000 reduce administrative structure by one	Administration believes that the faculty may not have an accurate picture of the college's investment in administrative positions. For FY10, the following positions are not funded from college general fund resources: • Dean of Workforce and Economic Development: 50% COI, 50% Perkins • President: MnSCU • Dean of Management Education State subsidy of $90,503 for program administration • Executive Director of the NCTC Foundation Foundation subsidy of $30,000 Further, the recommendation to reduce administrative structure by one cannot be considered, as the faculty has not suggested which administrative position to reduce. In the proposed faculty goals, a maximum number of 11 administrators is recommended; since that is the current number, there would be no reduction in expenditure.

Tuition Increase

Faculty: Although we are not comfortable about "passing the buck" to our students due to our college's history of raising tuition and due to our student tuition costs compared across the state, we believe it is likely that other state institutions will also be increasing their tuition next year and therefore not affect our ranking in comparison to other colleges.

Administration: The Administration agrees that tuition increases must be considered for FY11.

Faculty: The faculty is also curious how the increase of student enrollment this year of 8% was used in creating the budget for this year. This is a substantial amount of "new" money not accounted for. And, with one of our Strategic

Plan goals being to increase student FYE by 300 over the next 4 years it would seem that there should be new money coming if this goal is acknowledged and delivered.

Administration: Actual 30th day enrollment shows a 6% increase in FYE. Enrollment increases were not anticipated when the FY10 budget was originally developed. However, since that time, 8 additional FYE in aviation with tuition of $183.10 per credit, and 30 additional regular tuition FYE have been added to the revenue portion of the budget. Because the college is not paid for a significant number of FYE (waivers, uncollectible, etc.) it is prudent to be conservative in estimating FYE and tuition revenue until patterns are established. The strategic plan goal of 3100 FYE is a stretch goal and will require a number of aggressive changes in student recruitment. The stretch goals cannot be used for financial planning tools.

Equipment Money

Faculty: With a clearer definition and following of equipment money guidelines the faculty can move forward into FY 2011 with a combined campus equipment amount of $150,000.

Administration: The Administration needs clarification of what the faculty refers to as a "clearer definition." If equipment money at $150,000 were to be used only for purchases above $3,000, faculty would need to understand that there would be no funding for purchases below $3,000. Administration does not agree with the recommendation to limit instructional equipment expenditures to only $150,000 for the college for FY2011.

Swenson House

Faculty: The Swenson House was recently mothballed and the accounting of those savings (as stated by President Temte in her weekly update on October 13, 2009) can be seen as an offsetting of our operating costs.

Administration: Actual savings from "moth-balling" will not be determined for some months. The building must be maintained at levels that will preserve the asset. We intend to decrease the temperature to 45-50° F, unplug all appliances, discontinue phone and cable services, and restrict snow-plowing to driveways only.

Reserve Funds

Faculty: The funds are "rainy day" funds for use when needed by the college. We believe that what we are experiencing is a rainy day and we should use our reserves sparingly, but accordingly.

Administration: While the state budget has certainly created a "rainy day," the administration believes that, with the negative financial projections for FY11, FY12, and FY13, it is not prudent to reduce reserves for any expenditure other than unanticipated emergencies and one-time costs, such as separation costs. Using reserves to prop up the general fund is not an action that the administration is willing to take. Rather, institutional data, ratios, and comparisons with other MnSCU colleges indicate that the college can achieve greater efficiency in its instructional offerings. Until greater efficiencies are achieved, the administration will not consider tapping reserves for operating capital.

Faculty FTE to Student FYE ratio

Facutly: As stated by the administration's plan, the faculty ratio at Northland College is smaller compared to the other MnSCU institutions. We believe it should be recognized that there are reasons for this lower faculty to student ratio and that these aspects should be supported, applauded, promoted and advertised.

At the October 8, 2010 Shared Governance Council meeting documents were shared with the Chapter Presidents that compared our college to seven other MnSCU institutions. That document reflects the classification of instructional programs at these institutions. What is worthy of note is the balance of trades programs and health programs for each of these colleges. Both of these types of programs have student to faculty ratios below what is seen in Liberal Arts programs, with Health programs having the lowest ratio at our college due to clinical sites and state and national accreditation standards.

Although we use these colleges for comparison, we do this as this is the data administration is using, not that we agree to being compared to some of these institutions due to the disparity of size, college make-up and geographic location.

The following is a break-down of those colleges and their program classifications amounts:

	FYE 2009	Health	Occupa-tional and Trades	Com-bined	Liberal Arts and Sciences	STEM	BUSN	Com-bined	FTE to FYE	FTE to Admin
Mn State Coll-SE Tech	1630	21%	23%	**44%**	21%	23%	12%	56%	17.77	163.00
Northland	**2775**	**20%**	**19%**	**39%**	**26%**	**30%**	**5%**	**61%**	**15.09**	**277.50**
Ridgewater	3304	15%	17%	**32%**	30%	29%	9%	68%	19.93	300.36
Lake Superior College	3472	17%	15%	**32%**	33%	30%	5%	68%	18.90	262.04
Central Lakes	2950	10%	21%	**31%**	38%	26%	5%	69%	20.37	313.16
South Central College	2650	15%	14%	**29%**	29%	28%	14%	71%	15.57	187.94
South Central College	2650	15%	14%	**29%**	29%	28%	14%	71%	15.57	187.94
Riverland	2263	9%	19%	**28%**	38%	24%	10%	72%	15.99	291.25

As noted in the table, Northland has the second highest percentage of Health and Occupational / Trades student enrollment within this select school comparison by a large margin ahead of the third ranked school, second only to a technical college. The students in the Health programs are charged a higher tuition rate to offset the cost of the required lower ratios and higher costs associated with the program administrative costs (program director release credits).

The type of offerings we have not been taken into account when determining student to faculty ratios and the administration desired 17:1 ratio. And if our Farm Business Management, the largest Farm Business Management program in the state, is included the interpretation of our current faculty to student ratio is even more greatly skewed as the FBM program has a planned and anticipated smaller faculty to student ratio.

Administration: With the exception of Lake Superior College, the other colleges in the comparison are rural, multi-college institutions. Four of them (Ridgewater, Riverland, South Central, and Central Lakes) also have FBM programs.

Administration agrees that NCTC has many programs that require small clinical or laboratory sections and are technology intensive. Consequently, we cannot carry programs that have capacity for more students but are low enrolled. Because of our program mix, it is essential that we maintain instructional equipment budgets that support these programs. It is also essential that we deploy non-instructional credits in a much more conservative fashion than has been historical for the college.

Administration to FYE ratio

Faculty: The same document also has the administration to student ratio for these seven campuses. Now, admittedly, the current Administration to FYE ratio puts Northland in the middle of the pack, but with the planned addition of a 12th administrator our ratio, with a stable FYE of 2775, puts our planned Administration to FYE ratio at 231.25 which places us, in this sampling, at the third smallest. Not only are we third highest in this group, but we are widely separated from those schools with larger ratios.

CURRENT for FY 2010	FYE 2009	Health	Occupa-tional and Trades	Com-bined	Liberal Arts and Sciences	STEM	BUSN	Com-bined	FTE (183.92) to FYE	FYE to Admin (11)
South Central College	2650	15%	14%	**29%**	29%	28%	14%	71%	15.57	187.94
Mn State Coll-SE Tech	1630	21%	23%	**44%**	21%	23%	12%	56%	17.77	163.00
Lake Superior College	3472	17%	15%	**32%**	33%	30%	5%	68%	18.90	262.04
Northland	2775	20%	19%	39%	26%	30%	5%	61%	15.09	277.50
Riverland	2263	9%	19%	**28%**	38%	24%	10%	72%	15.99	291.25
Ridgewater	3304	15%	17%	**32%**	30%	29%	9%	68%	19.93	300.36
Central Lakes	2950	10%	21%	**31%**	38%	26%	5%	69%	20.37	313.16

PLANNED for FY 2011	FYE 2009	Health	Occupa-tional and Trades	Com-bined	Liberal Arts and Sciences	STEM	BUSN	Com-bined	FTE (183.92) to FYE	FYE to Admin (12)
South Central College	2650	15%	14%	**29%**	29%	28%	14%	71%	15.57	**187.94**
Mn State Coll-SE Tech	1630	21%	23%	**44%**	21%	23%	12%	56%	17.77	**163.00**
Northland	2775	20%	19%	39%	26%	30%	5%	61%	15.09	231.25
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Riverland	2263	9%	19%	**28%**	38%	24%	10%	72%	15.99	**291.25**
Ridgewater	3304	15%	17%	**32%**	30%	29%	9%	68%	19.93	**300.36**
Central Lakes	2950	10%	21%	**31%**	38%	26%	5%	69%	20.37	**313.16**

Administration: The Administration's intent to replace faculty release credits with a Dean of Nursing or Dean of Allied Health position (while retaining 48 credits of release for nursing program directors) will reduce salary expenditures by approximately $60,000 and will reduce faculty by almost 2 FTE. This will increase the faculty/student ratio from 15.6 to 15.72, if all other factors remain the same. We are in agreement that this administrative addition will lower the student FYE to administrative FTE ratio. The college's student FYE to support staff FTE ratio (including administrators) will still be among the highest in the state.

<u>Inefficiencies</u>

Faculty: In the process of developing a balanced budget we not only have to look at the efficiencies of academic assignments, but also at the efficiencies of the administration.

In the Administration agenda from October 8, 2009, it was stated that the overall academic goal was to "increase efficiency of academic assignments throughout the college to reduce budgets and enable development and implementation of new program initiatives." The evidence does not make clear that proposed changes are fully examined in advance, as shown by these administrative discrepancies:

- **Cosmetology:** Administration was unaware of the necessity to keep two licensed faculty on staff at all times for state licensing, or of the amount of outside revenue generated by resale accounts.

Administration: The Administration was fully aware of the necessity to have two licensed faculty in the facility to supervise students; this fact contributes to the expense of the program.

- **EGF Program Directors:** Administration was unaware that programs need to be directed by credentialed faculty.

Administration: The Administration was fully aware of the necessity to have credentialed faculty as program directors for accredited programs.

- **EGF and Distance Practical Nursing Clinical Coordination:** Administration does not recognize how the exponential growth of the PN program has impacted the delivery of clinical courses. Each semester, effective faculty management of clinical coordination, responsibilities are critical to program expansion and management of nearly 200 students and 12 faculty engaged at 33 health care sites.

Administration: The administration is aware of the growth of the Nursing programs; this growth was a key factor in the bonding proposal that resulted in the construction and remodeling at the EGF campus. Nursing programs have grown in complexity and size, warranting dedicated administrative attention. The Administration does recognize the recent efforts of one nursing program director to thoroughly document the activities involved in clinical coordination. This level of thoughtful input is appreciated and will be considered.

- **Automotive Service Technology:** Administration heard many faculty statements about the difficulties and unnecessary need for closure of the 2nd year of the program in EGF. The rationalizations put forward by the faculty were enough to change the mind of the administration by the next morning and have opted not to lay-off any of the current faculty.

Administration: In part, the original administrative plan reflected faculty encouragement to review all replicated programs. Automotive Service Technology has two programs, with four fulltime faculty members, and utilizes three large instructional spaces. If consolidation of the second year had been feasible, the EGF campus could have regained space critically needed for program expansion.

- **Electronics Technology:** Although Administration was not going to release the faculty member, there had been a determination to suspend the program. After meeting, the Administration saw the possibility of altering our offerings in an effort to maintain the program. This program also has never appeared in the orange category of the sustainability summary.

Administration: Enrollment this year is critically low. Discussions between the faculty member and the dean were intended to and are generating many possibilities for the future.

Faculty: The inefficiencies of the administrative level were also apparent after comparing current administrative direction of two programs: Aviation Maintenance Technology and Cosmetology.

- **Aviation Maintenance** is over-administrated by having a full secretary, a full dedicated administrator, and an additional part-time administrator. The administrators were hired and assigned specifically to the program to increase student enrollment. Although enrollment has improved and the program will undoubtedly be successful, it seems as though with the work of 1+ administrators there should have been a bigger turn around. This program currently has only 8 prospective students for the Fall of 2011.

Administration: This program and the administrative investment have been discussed several times with the Shared Governance Council. SGC members are encouraged to review minutes from these discussions.

Administration questions where the "8 prospective student for the Fall of 2011" came from. Records kept by the program indicate 212 prospective students with whom the program director and/or faculty members are actively corresponding. $140,000 was awarded by MnSCU to aggressively pursue resurgence of the aviation program, as it is viewed as a unique asset of the system.

Faculty:

- **Cosmetology**, on the other hand, has only had themselves (2.75 faculty) and the assistance of their assigned program sustainability committee. That program, which the Administration plans to close, currently has 55 prospective students for fall 2011.

    - In addition, after close reading, the faculty has found errors on the program sustainability sheets that were distributed to each of the programs this fall. These are the same documents that were to be the basis of decisions regarding program assistance and closures. In particular, based on faculty calculations, the Cosmetology program should not have been in the orange category in last year's sustainability summary, and this year's numbers would also have improved.
    - Although not an error, one of the issues with the document is the stated cost of the program. Whenever a faculty member goes into the community to recruit a substitute needs to be hired due to state rules. So, while the faculty members have tried to get out and recruit, the very act of doing so increases the cost to their program. Meanwhile, the Aviation program has 1 + administrators to go out and do the recruiting and still only have 8 prospective students for next fall.

Administration: We request specific citation of errors. Without such information, errors cannot be addressed. If there are errors administration is interested in correcting them.

New Programs and Current Programs

Faculty: Although the faculty applauds the addition of new programs, it should not happen at the expense of current programs.

Administration: The faculty and administration show clear evidence of different philosophies on this matter. The Administration believes that evolution of the college academic program mix must consider several factors:

- Do existing programs prepare students for living-wage careers ?
- Is post-secondary education required for entry into the employment field?
- Do existing programs provide a good return on student investment?
- Are existing programs unsustainably expensive due to low enrollment or program costs?
- Does maintenance of existing programs prevent adoption of programs that strengthen regional economies and contribute to workforce demands?
- Are the technology or program content current and will they provide cutting-edge skills?

Faculty: Regarding new program proposals, the faculty feel that although wind energy would have been a logical addition to our course offerings the time is past for the inclusion at our campus. Nine colleges in the state of Minnesota now offer a Wind Energy program and Northland College would be left playing catch up.

Our current programs, especially the ones being suspended, fill the needs of our communities and our region. Administrative Support positions and Cosmetology positions are being posted weekly in our area newspapers.

Strategic Plan

Faculty: Our current Strategic Plan supports our aforementioned assertions. The goal Revolutionize Growth Strategies To Sustain Vibrant Learning Communities heading of our plan has the following subcategories:

- Develop new delivery methods to address needs of learners and regional economies
    - Develop New Programs / Program Redesign

- Enhance use of Online Technology

The planned suspension of the ADMS program in Thief River Falls flies in the face of our own statement. This program has redesigned its delivery method to online and hybrid to specifically meet the needs of our region. The closure of this program is an affront to their work at addressing those needs and strategic plans.

Administration: The ADMS program will still be available through NCTC to students throughout our region. The online and hybrid instructional methods may continue to be used. This will be determined by the deans and remaining faculty.

Faculty: Also found under Revolutionize Growth Strategies To Sustain Vibrant Learning Communities we find the subcategory of:

- Increase the number of full-year equivalent (FYE) students from 2,800 to 3,100 by 2014

We have stated it as a goal, and yet we are projecting a flat student FYE for 2011. The college should be using its resources to do what it states and work towards increased growth, which can be accomplished by the realigning of our resources to support the needs of our current programs, especially programs like ADMS and Cosmetology which are both "address the needs of regional employers and reflect labor/market conditions." (taken from Strategic Plan)

Administration: The only strategies that will work to enable NCTC to grow to its "stretch goals" is looking beyond our region to attract students. Upon the frequent suggestions of faculty and staff members, $150,000 for federal stimulus funding was directed toward enhanced marketing efforts. If only the same activities that now attract a portion of high school student from regional high schools continue to be used, enrollment will decrease, as regional population declines. New populations must be attracted and the Marketing and Enrollment Team is working to develop strategies and programs that will attract those students.

Rebuttal to Administration plans from October 8, 2009 Shared Governance Council Agenda

Reduction of faculty workloads

Faculty: Faculty has already sacrificed significantly in agreeing to zero percent pay increases for two years. Administration is asking us to do more with less. We understand that concept and that is a main part of the rationale of our contract settlement. Administration is asking us to do even more with even less.

Administration: All higher education employees have shared this sacrifice with a zero percent pay increase for two years. Recognition of this fact does not solve the budget reduction problem.

Division Chairs

Faculty: In recognition of the different histories of Division Chairs on the two campuses, the faculty recognizes the need to discuss openly the possible restructuring of these roles within the college.

Administration: Administration agrees that it will work with the faculty to develop a plan that recognizes the different histories of the two campuses, yet fosters collaboration and cooperation.

Health Program Directors

Faculty: One of the main thrusts from administration is to obtain a 17:1 student to faculty ratio. The proposed reductions in release credits for the Allied Health Program Directors will have minimal impact on this. Currently, in the Allied Health Programs there is approximately a 16.6 ratio. The proposed reductions to the release credits of the program directors and division chair credits will improve the college ratio by no more than 0.06. The proposed reductions result in a significant loss or re-assignment of vital work to less qualified individuals. This insignificant gain to the faculty/ student ratio is not worth the changes to a structure that has very positive overall outcomes for the college.

The Allied Health Program Directors should be compensated in relation to their program size. The minimum compensation would be a minimum of 3 credits/semester and 1 credit for the summer work. This is an equal compromise to administration's proposal for a majority of the Health Programs. The compensation would look like this:

1. 1-30 students, 3 credits per semester for fall and spring semesters plus 1 credit for summer work
2. For every additional 10 students above 30 add 1 credit per semester for fall and spring (i.e. 31-40 students = 3 + 1 for 4 credits each semester; 41-50 students = 3 + 2 for 5 credits per semester; etc.)
3. If the program falls under criteria #2 above and has multiple sites, add 1 credit per semester for fall and spring for each additional site.
4. The impact of this proposal would be as follows:

Program	FYE (FY09)	Release credits (fall/spring/summer)
ADN	65.21 + 2 more sites	20
PN – TRF	107.01 + 2 more sites	30
PN – EGF and Distance	206.95 + 1 more site	44
CVT	11.34	7
Paramedic	22.2	7
OTA	17.88	7
PTA	24.74	7
Rad Tech	31.98	9
RCP	26.78	7
Surg Tech	20.21	7

This plan would require that two clerical support positions be dedicated to the health programs.

Administration: Administration will continue to work with the faculty to determine an appropriate level of compensation for program directors of accredited programs. As presented, the administration cannot agree to the proposal of the faculty.

Nursing Program Administration

Faculty: The rationale being used for the creation of a nursing dean is that the high numbers of release credits in those programs demonstrates a need for a Dean of Nursing and that the Dean will supervise the faculty in these programs. There has been no analysis of how the current release credits are utilized.

The EGF Practical Nursing program has approximately 207 FYE in that program (over 500 headcount). The release credits in that program are currently shared by the Program Director and the Clinical Coordinator. The Clinical Coordinator for that program is responsible for the clinical assignments of nearly 200 students in 33 health care sites each semester.

The TRF nursing programs (PN and ADN) have 172 FYE. The TRF PN director coordinates clinicals at up to 8 different facilities in 6 communities surrounding TRF. In addition, coordination of students at various clinics, day care sites, labs, etc. in the same 6 communities is completed by the director.

Administration: Release credits for nursing program administration will be reduced from 106 to 48. This will reduce release credits by nearly 2 FTE. 1 FTE administration will be employed to provide full-spectrum administrative and supervisory service. The college will engage the assistance of external expertise to work with faculty, program directors, and deans to analyze the work that must be done and whether it must be done by faculty members or can be executed by a dean or support staff.

Administrative Assignments

Faculty: An additional point that contributes to the inefficient running of the college is the fluidity of the duties assigned to administrators.

Administration is adding three positions (one administrative and two staff) to ease the workload of the current administrators. One administrative position is being funded with faculty reductions. The faculty is left wondering about the double standard that is being set between administration and faculty. The desires of the Administration should not outweigh the needs of the faculty.

Administration: For FY 2010, more than four support FTE in the college were discontinued. Based on evaluation of college work that must be accomplished and consideration of recommendations through the strategic planning and stimulus investment planning processes, two MAPE positions are being added this year. The Director of Institutional Research will institutionalize all of the college data sources, coordinate college reporting, and coordinate grant application processes. The Academic Coordinator will have oversight of many of the activities that the SGC endorsed two years ago to be included in a Dean of Institutional Effectiveness position. Among the duties will be assessment coordination, credentialing, new program research and development, and scheduling innovation.

Faculty: With the addition of the Academic Coordinator and Institutional Research positions that are initially being funded with stimulus money, what is the plan to sustain funding for these positions? Or are the temporary positions that will be funded until the stimulus money runs out? Or worst case scenario, does Administration plan to cut more faculty positions to fund these when the stimulus money runs out?

Administration: Initially, the positions will be funded using stimulus money. As the college prepares for the FY 2012 budget, the efficacy of these positions will be evaluated in light of the state budget forecast, attrition within current positions, and other considerations. The administrations stated goal of a 17 to 1 student FYE to faculty FTE by fall, 2010 is not affected by the appointment of these positions.

FY2011 Operating Budget Planning

Draft

The purpose of this document is to provide planning assumptions and a timeline regarding fiscal year 2011 operating budget development.

Assumptions

- State appropriation
  - The appropriation amount in final Higher Education bill is $666.0 million.
  - Governor has recommended $50 million unallotment to MnSCU (7.5 percent reduction).
  - ARRA funds would be lost if higher education (MnSCU and U of M) were reduced greater than an additional $50 million above the governor's recommended unallotment.
  - The unallotment amount to MnSCU could go as high as $75 million (11.3 percent reduction) – assumption is that the additional allotment would be split equally between MnSCU and the U of M.
  - Colleges/universities build appropriation scenarios around the bookends – 7.5 percent to 11.3 percent reductions.
  - In addition to the $3.3 million of awards of excellence funds from fiscal year 2010 programmed toward the unallotment, an additional $3.3 million from fiscal year 2011 may be available.

- Tuition
  - Language in final Higher Education Bill limits tuition increase to 5 percent.
  - The unallotment level will determine if the System pursues removal of the tuition cap language during the 2010 legislative session.

- ARRA funds
  - There is $39.6 million of one-time funds – approximately $12.9 million is targeted for the 2 percent tuition mitigation from fiscal year 2010; the balance of $26.6 million is available for operating budget support.

- Inflation
  - Compensation
    - Insurance increase of 6.7 percent (effective January 2011)
    - Steps for classified employees
  - Other operating costs
    - Build in local assumptions

Consultation

- Consultation with students and staff should begin now to ensure that constituent groups are involved in the budget planning process.

Risks

- State economic outlook
- Tuition cap language remains and unallotment at upper end

Timeline

October 2009	Consultation begins (concluding in mid-May) within college/university community
November 2009	FY2011 budget planning – discussion Leadership Council
December 2009	State of Minnesota economic outlook (forecast) released
	FY2011 budget planning – discussion Leadership Council
January 2010	FY2011 budget outlook – discussion Leadership Council and Board presentation
	FY2011 allocation framework completed
February 2010	Legislature convenes (February 4)
	State of Minnesota economic outlook (forecast) released
March 2010	Economic outlook – discussion Leadership Council and Board presentation
April/May 2010	FY2011 operating budget including tuition and fees – discussion Leadership Council and first reading/action Board of Trustees
	Legislature adjourns (May 17)

Minnesota State Colleges and Universities
FY2011 Unallottment Planning Estimates - TEMPLATE

NOTE: Unallottment impact to c/u will be adjusted after decisions have been made concerning reductions on green sheet including OOC. Currently, $3.3 million has been programmed toward the unallotment. The $3.3 million has not been built into the planning numbers below.
By changing the values in cells f46 or i46, various scenarios can be run

Inst ID	Institution Name	FY2010 Base Allocation	PLANNING ESTIMATE for FY2011 Base Allocation	% Share of FY2010 Base	% Share of FY2010 Allocation*	PLANNING ESTIMATE for $50 million FY2011 Unallottment	PLANNING ESTIMATE for FY2011	PLANNING ESTIMATE for $75 million FY2011 Unallottment	PLANNING ESTIMATE for FY2011
0203	Alexandria TC	8,979,858	9,942,286	1.88%	1.87%	(938,237)	9,004,049	(1,407,356)	8,534,930
0152	Anoka Ramsey CC	13,322,819	14,750,710	2.79%	2.91%	(1,424,984)	13,325,726	(2,137,477)	12,613,234
0202	Anoka TC	6,455,838	7,147,751	1.35%	1.35%	(676,043)	6,471,708	(1,014,064)	6,133,687
0070	Bemidji SU & Northwest TC-Bemidji	19,523,385	21,615,830	4.09%	3.99%	(2,021,128)	19,594,702	(3,031,691)	18,584,138
0301	Central Lakes College	10,274,134	11,375,278	2.15%	2.13%	(1,071,799)	10,303,479	(1,607,698)	9,767,580
0304	Century College	16,740,265	18,534,425	3.51%	3.51%	(1,753,368)	16,781,057	(2,630,052)	15,904,373
0211	Dakota County TC	8,864,562	9,814,633	1.86%	1.83%	(921,808)	8,892,825	(1,382,712)	8,431,922
0163	Fond du Lac Tribal & CC	3,498,250	3,873,179	0.73%	0.83%	(390,963)	3,482,216	(586,445)	3,286,734
0204	Hennepin TC	16,400,280	18,158,002	3.44%	3.37%	(1,702,494)	16,455,508	(2,553,741)	15,604,261
0157	Inver Hills CC	8,637,972	9,563,758	1.81%	1.86%	(918,589)	8,645,169	(1,377,884)	8,185,874
0302	Lake Superior College	11,490,423	12,721,924	2.41%	2.47%	(1,218,784)	11,503,140	(1,828,177)	10,893,748
0076	Metropolitan SU	17,628,496	19,517,853	3.69%	3.72%	(1,854,204)	17,663,649	(2,781,306)	16,736,547
0305	Minneapolis College	17,141,443	18,978,600	3.59%	3.57%	(1,789,669)	17,188,931	(2,684,503)	16,294,096
0213	Minnesota SC-Southeast Technical	6,414,044	7,101,477	1.34%	1.37%	(679,323)	6,422,154	(1,018,984)	6,082,493
0442	Minnesota State College	15,651,755	17,329,252	3.28%	3.31%	(1,648,631)	15,680,621	(2,472,946)	14,856,306
0072	Minnesota SU Moorhead	26,005,884	28,793,099	5.45%	5.39%	(2,708,878)	26,084,221	(4,063,317)	24,729,781
0071	Minnesota SU, Mankato	44,677,466	49,465,833	9.36%	9.15%	(4,628,223)	44,837,610	(6,942,334)	42,523,499
0209	Minnesota West College	9,967,505	11,035,785	2.09%	2.05%	(1,033,832)	10,001,954	(1,550,747)	9,485,038
0156	Normandale CC	15,063,099	16,677,507	3.16%	3.21%	(1,591,293)	15,086,214	(2,386,940)	14,290,567
0153	North Hennepin CC	11,047,444	12,231,468	2.31%	2.40%	(1,178,766)	11,052,702	(1,768,149)	10,463,319
0411	Northeast Higher Education District	17,171,965	19,012,393	3.60%	3.49%	(1,771,442)	17,240,951	(2,657,163)	16,355,230
0403	Northland College	11,183,675	12,382,300	2.34%	2.34%	(1,171,759)	11,210,541	(1,757,638)	10,624,661
0205	Pine TC	2,534,014	2,805,601	0.53%	0.57%	(275,145)	2,530,456	(412,717)	2,392,883
0308	Ridgewater College	12,993,244	14,385,813	2.72%	2.72%	(1,360,688)	13,025,124	(2,041,032)	12,344,780
0307	Riverland College	10,002,773	11,074,834	2.10%	2.06%	(1,039,699)	10,035,135	(1,559,548)	9,515,286
0306	Rochester College	12,932,113	14,318,129	2.71%	2.81%	(1,380,118)	12,938,011	(2,070,177)	12,247,951
0206	Saint Paul College	11,876,744	13,149,650	2.49%	2.49%	(1,245,435)	11,904,215	(1,868,152)	11,281,498
0309	South Central College	10,875,480	12,041,074	2.28%	2.19%	(1,116,715)	10,924,360	(1,675,072)	10,366,002
0075	Southwest Minnesota SU	13,579,782	15,035,213	2.85%	2.83%	(1,418,010)	13,617,203	(2,127,015)	12,908,198
0073	St. Cloud SU	49,333,702	54,621,107	10.34%	10.42%	(5,189,634)	49,431,473	(7,784,451)	46,836,656
0208	St. Cloud TC	9,834,052	10,888,030	2.06%	2.11%	(1,041,870)	9,846,160	(1,562,805)	9,325,225
0074	Winona SU	27,121,635	30,028,432	5.68%	5.67%	(2,838,470)	27,189,962	(4,257,705)	25,770,727
	TOTAL	**477,224,100**	**528,371,226**	**100%**	**100%**	**(50,000,000)**	**478,371,226**	**(75,000,000)**	**453,371,226**

*For planning purposes the % share of FY2010 allocation framework is being used to calculate impact of unallotment. Distribution of FY2011 appropriation will be based on results of the FY2011 allocation framework.

MnSCU Finance Division
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October 22, 2009

Minnesota State Colleges and Universities

FY2011 Unallottment Planning Estimates based on $70 million (actual amount unknown)

(Unallottment impact to c/u will be adjusted after decisions made concerning reductions on green sheet including OOC)

		a	b	c	d
Inst ID	**Institution Name**	**PLANNING ESTIMATE for FY2011 Base Allocation**	**% Share of FY2009 Base**	**% Share of Allocation**	**PLANNING ESTIMATE for $70 million FY2011 Unallottment**
0203	Alexandria TC	9,942,286	1.89%	1.87%	(1,317,180)
0152	Anoka Ramsey CC	14,750,710	2.68%	2.91%	(1,954,213)
0202	Anoka TC	7,147,751	1.35%	1.35%	(946,953)
0070	Bemidji SU & Northwest TC-Bemidji	21,615,830	4.19%	3.99%	(2,863,722)
0301	Central Lakes College	11,375,278	2.17%	2.13%	(1,507,027)
0304	Century College	18,534,425	3.51%	3.51%	(2,455,489)
0211	Dakota County TC	9,814,633	1.89%	1.83%	(1,300,268)
0163	Fond du Lac Tribal & CC	3,873,179	0.64%	0.83%	(513,129)
0204	Hennepin TC	18,158,002	3.50%	3.37%	(2,405,619)
0157	Inver Hills CC	9,563,758	1.76%	1.86%	(1,267,032)
0302	Lake Superior College	12,721,924	2.35%	2.47%	(1,685,434)
0076	Metropolitan SU	19,517,853	3.67%	3.72%	(2,585,776)
0305	Minneapolis College	18,978,600	3.62%	3.57%	(2,514,334)
0213	Minnesota SC-Southeast Technical	7,101,477	1.31%	1.37%	(940,822)
0442	Minnesota State College	17,329,252	3.24%	3.31%	(2,295,825)
0072	Minnesota SU Moorhead	28,793,099	5.51%	5.39%	(3,814,585)
0071	Minnesota SU, Mankato	49,465,833	9.57%	9.15%	(6,553,363)
0209	Minnesota West College	11,035,785	2.13%	2.05%	(1,462,050)
0156	Normandale CC	16,677,507	3.10%	3.21%	(2,209,480)
0153	North Hennepin CC	12,231,468	2.23%	2.40%	(1,620,457)
0411	Northeast Higher Education District	19,012,393	3.71%	3.49%	(2,518,811)
0403	Northland College	12,382,300	2.34%	2.34%	(1,640,439)
0205	Pine TC	2,805,601	0.49%	0.57%	(371,693)
0308	Ridgewater College	14,385,813	2.73%	2.72%	(1,905,870)
0307	Riverland College	11,074,834	2.13%	2.06%	(1,467,223)
0306	Rochester College	14,318,129	2.61%	2.81%	(1,896,903)
0206	Saint Paul College	13,149,650	2.48%	2.49%	(1,742,100)
0309	South Central College	12,041,074	2.37%	2.19%	(1,595,233)
0075	Southwest Minnesota SU	15,035,213	2.86%	2.83%	(1,991,904)
0073	St. Cloud SU	54,621,107	10.25%	10.42%	(7,236,347)
0208	St. Cloud TC	10,888,030	2.01%	2.11%	(1,442,475)
0074	Winona SU	30,028,432	5.70%	5.67%	(3,978,245)
	TOTAL	528,371,226	100%	100%	(70,000,000)

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