



Meeting: Shared Governance Council

Date: Wednesday, February 12, 2014 at 10:00 a.m.

Location: TRF 735; Polycorn to EGF-301 & AC-13

Members Present:

Erin Almlie, Mary Amundson, Brent Braga, David Christian, Steve Crittenden, Jennifer Dahlen, Don Fischer, Kathy Huschle, Becky Lindseth, Tishara Melcher, Adam Paulson, Tim Reuter, Dorinda Sorvig, Anne Temte, Joel Ziegler, Sheila Bruhn

Absent: Justin Berry, Carey Castle

Guests: Shannon Jesme, Jason Trainer, Norm Hals, Terry Wiseth

Topic	Responsible Party	Discussion/Outcome
I. Call to Order Add to Agenda	Ziegler Amundson Temte	1. Meeting called to order at 10:05 a.m. by Joel Ziegler. 2. Additions/Changes to Agenda: A. April 17-18 dates on Student Calendar and a request made to email students. Also is it possible to include date info on webpages, hall monitors, etc. B. Move New Business Item #1- FY2015 budget up to first on agenda as all other discussion will be based on this topic. Consensus to move item.
NEW BUSINESS	Temte Jesme	1. FY2015 Budget – Administration is working on next year’s budget. A Budget Development paper was distributed to SGC. Anne provided an overview and stepped everyone through the 7 page document. A. Two levels to the budget: i. MnSCU System (State) – Background: a. Since 1999 state funds have <u>decreased</u> 48% b. Since FY2006, 964 programs have been <u>eliminated</u> c. Board required reserves (7%) d. Northland’s carry forward - \$9M which will be reduced at end of 2014 and again at the end of 2015. e. Shortfall in allocation to cover compensation increases - \$48M – A request to legislature to add \$17M to MnSCU base in 2014 and an additional \$14M in 2015 ii. NCTC (Local) a. 6.2% enrollment decrease (2,715 FYE in 2013; 2,550 FYE in 2014) b. High School committee is working on understanding decreasing enrollment trends. B. Anne asked Shannon Jesme to prepare 3 scenarios for FY2015 General Fund utilizing 3 different FYE numbers. i. Shannon distributed the document and stepped members through revenue and expense projections. NOTED: Total Personnel is not finalized yet and ‘Equipment required for leveraged match amount’ of \$189,540 is added into expense to offset the same amount in revenue. ii. Shannon explained the 3 options using FYE 2,400, 2,450 and 2,500 respectively. iii. Important to note: a. Need \$1M cash to cover \$2M in depreciation over the year. b. If a college has a net loss 2 years in a row, they are placed on a ‘financial workout’ plan by MnSCU. c. If it is determined to use carry forward reserves for 2014, then what happens with reserves for FY2015? d. By FY2016 NCTC needs to operate “within the checkbook” (right size the budget) e. Administration determined to show no more than a \$700K deficit in FY15.

		<p>iv. Questions/Comments:</p> <p>a. Joel Z. asked what the leveraged equipment process is. Shannon stated that she would defer this question to Carey who is out this week.</p> <p><u>ACTION:</u> Sheila will communicate with Carey in follow-up to the question.</p> <p>b. Erin A. asked for clarification regarding the 'Equipment' Expense amount – should it be the same amount for all 3 options? Shannon stated yes, the correct amount is \$213,874.</p> <p>c. Brent B. asked about MSHA's position. Shannon said they factor on the low side (very conservative).</p> <p>d. Anne noted that the Legislative session begins Feb. 25th. She met with Sen. Stumpf on Feb. 11th.</p> <p>e. Shannon shared that at state CFO meetings the question has been asked about schools that do not have cash flow and does the legislature understand the situation.</p> <p><u>ACTION:</u> Anne has asked all administrators to work on reducing their budgets by 4.5% and 6.5% and discussion will continue at Executive Committee and Cabinet.</p> <p><i>Shannon Jesme left the meeting.</i></p>
II. OLD BUSINESS	<p>Ziegler Amundson Melcher Crittenden</p> <p>Bruhn Amundson</p> <p>Temte Ziegler</p> <p>Crittenden</p> <p>Huschle</p>	<p>1. Academic Master Planning (AMP)</p> <p>A. An email was sent out to faculty by MaryJo Bydal that had a scan attached, labeled only with a number. Wondering if the scan could have been named to identify what it was in relationship to. (i.e. AMP invitation to participate)</p> <p>B. Tishara asked about release time and how consuming the process will be.</p> <p>C. Steve commented that the process will need lots of involvement.</p> <p><u>ACTION:</u> A request to Carey to clarify process will be made.</p> <p>2. 2015-2016 Academic Calendar Development</p> <p>A. MaryJo Bydal, Carey Castle and Sheila met on Feb. 4th to discuss process.</p> <p>B. Sheila reported the committee is scheduled to meet on Feb. 25 @ 4. MaryJo and Sheila will put a draft calendar together and send out to the committee prior to the meeting.</p> <p>C. Mary Amundson asked if the 2nd calendar development meeting is scheduled as per the contract. It has not been scheduled.</p> <p><u>ACTION:</u> Sheila will schedule a 2nd meeting time for committee.</p> <p>3. Football – Administrative position related to decision – Document distributed</p> <p>A. Anne set the stage for the discussion with background information and the document preparation process.</p> <p>B. Joel asked in the interest of time if the FB 'Facts' could be read by all and now move directly to Timeline and conditions for restoring. Anne stated that the 'Facts' are important and need to be discussed.</p> <p>C. Steve stepped SGC members through the 'facts' listed re: the FB decision.</p> <p>i. Steve shared that \$80,000 fewer Student Life dollars were collected this year than were anticipated, last time checked.</p> <p>ii. NCTC needs to determine which of the 3 prongs of Title IX compliance to use in reference to athletics:</p> <p>1) Use a percentage of females to males (currently: 55F, 45M)</p> <p>2) Demonstrate a continual expansion of athletic opportunities for women.</p> <p>3) Survey to students (<i>currently used, but students are underrepresented</i>)</p> <p>a) General Counsel has reviewed survey and determined appropriate.</p> <p>b) IRB has reviewed and approved.</p> <p>iii. Kathy asked if the survey:</p> <p>1) Is sent to all students? Yes, it is emailed out.</p> <p>2) Could be distributed via other methods (i.e. tables set-up in commons)</p> <p>3) Could be reviewed by faculty. Yes.</p>

		<p><u>ACTION:</u> Steve will email survey out to faculty</p> <p>D. Conditions identified for restoration of the program were reviewed</p> <ol style="list-style-type: none"> i. Housing was one condition: <ol style="list-style-type: none"> a) Tishara commented that housing is listed as a condition and noted that in last weekend's newspaper there were 8-9 houses listed for rent. She further commented that this does not indicate a shortage, but perhaps affordability of available housing is the issue. b) Steve shared that having served on the TRF Housing Commission he knows there are landlords that will not rent to college students. c) Also noted is that rental vacancy rate in TRF is very low, 1.5% and in a recent survey conducted it was reported that a majority of TRF students travel 45 miles or more one way. <p>E. Comments/Questions:</p> <ol style="list-style-type: none"> i. Has the make-up of the FB taskforce been determined? Not yet. ii. Adam asked why an attempt to fill the FB position wasn't made utilizing the same structure as before. Anne stated that given all of the background factors listed the determination was made that that was not feasible. In addition, the position, as configured, required a master's degree. iii. Adam stated 'what if we could have found someone with a Master's degree?' Anne stated the decision was made and speculation is 'water under the bridge.' iv. Tishara commented that while she hopes the wrestling program builds, currently it is only serving 6-9 students vs. 45 that would be served in a FB program. v. Erin thanked Anne and Steve for providing answers to questions asked at the last SGC meeting. vi. Kathy asked when the apartments would be ready for occupancy. Anne shared the earliest would be fall of 2015. Becky L. cautioned that negotiations with the developer are just beginning. <ol style="list-style-type: none"> a) If housing is available fall of 2015, Kathy commented that the FB reinstatement decision could be moved up a year. b) Anne stated that housing is only one of the conditions to consider. Other factors such as budget and Title IX solutions have to be in place as well. <p><u>ACTION:</u> Intercollegiate athletics will be part of the Academic Master Planning Process.</p> <p>4. BOT Awards for Excellence in Teaching – Clarification of process was requested. Anne stated that an individual will be nominated in May for next year to allow time for portfolio preparation. Joel asked how selection will be handled. Anne said a committee will be selected.</p> <p><u>ACTION:</u> Sheila will follow-up on committee selection with Carey.</p> <p>5. FY2015 Division Chair Structure.</p> <ol style="list-style-type: none"> A. Agenda states this will be reported on at the March 6th meeting in order to allow time for reps to meet with faculty, scheduled for Feb. 18th and 20th. B. Mary asked about the meeting with Carey. To date no information has been received. <p><u>ACTION:</u> Sheila will follow-up with Carey on scheduling a meeting.</p>
	Melcher	
	Paulson	
	Melcher	
	Almlie	
	Huschle	
	Ziegler	
	Amundson	
III. New Business:	Temte	<ol style="list-style-type: none"> 1. <i>Budget FY2015 reported above.</i> 2. Positions on hold – Anne reported that everyone should have received an email from Becky outlining the rationale for the holding the positions and what is in place for each process: Marketing, IR and Student Services moving forward.
	Trainer	<ol style="list-style-type: none"> 3. Enrollment and Recruitment – Jason shared a PowerPoint with SGC <ol style="list-style-type: none"> A. Strategic Enrollment Management (SEM) – what is involved <ol style="list-style-type: none"> i. Samples of Marketing SEM Tasks: a) redesign program specific

	Huschle Melcher Ziegler	<p>enrollment pieces 2) develop traveling kits for high school & other presentations 3) Convert website to responsive design, etc.</p> <p>ii. Samples of Enrollment SEM Tasks: 1) Redesign campus visit experience with standardized yet personalized content for ambassadors. <i>Jason hopes faculty will assist in nominating students to be ambassadors.</i> 2) Create programs for high school counselors and instructors, etc.</p> <p>B. Enrollment Activity:</p> <p>i. Enrollment Calendar is on the “N” drive, located in the Enrollment Folder and gives dates of upcoming events. Sample shown with dates listed: TRF Career Expo, GF Home Show, Lincoln H.S. visit, etc.</p> <p>ii. Communication Plans – Luoma Action Learning Team</p> <p>iii. Institutional Approach: Advising, Diversity, Academic Offerings.</p> <p>C. Questions/Comments:</p> <p>i. Kathy asked if the dates are later than usual for high school visits and expressed concern for seniors making decisions where to attend so late in the year. Jason stated the dates are later, but typically students attending tours are juniors and have plenty of time to make their determination.</p> <p>ii. Tishara commented that holding events over the lunch hour are difficult for instructors.</p> <p><u>ACTION:</u> Joel stopped the presentation due to time constraints and asked Jason if he could attend the next SGC meeting in March and if the PowerPoint could be sent out in advance and also attached to the agenda. Sheila and Jason will handle.</p>
IV. On-going Items:	Ziegler Lindseth	<p>1. Policy Review:</p> <p>A. Dealing with Minor Issues: The first notice will be an email sending out proposed changes. The second notice will occur at a SGC meeting.</p> <p>B. 7037P Fixed Assets – Becky stated she would report next time on what are acceptable storage options. (i.e. disks, flash, iPads, etc.)</p> <p>2. Information – none</p> <p>3. Organizational Chart – no report</p> <p>4. MnSCU Framework Metrics – no report</p>
V. Open Discussion:		Several topics were discussed off the record. Anne requested follow-up information.
VI. Adjournment:		Meeting adjourned at 12:03 p.m.
Next Meeting:		Thursday, March 6th @ 2:00 p.m., TRF Rm 601, EGF Rm 149 & AC13 (via telepresence.)

FY2015 Budget Development

Prepared for Shared Governance Council, Feb. 12, 2014

Northland's FY2014 Budget

Unanticipated enrollment declines and reductions in tuition collections have driven Northland's FY2014 budget into a deficit situation. The FY2014 budget was built upon the assumption of 2715 FYE. Actual FYE is anticipated to be 2550. The FY2014 budget also contained planned expenditures from the college's carry forward reserves. These expenditures were for capital improvement projects, BESIs and separation costs. Additionally, approval was sought and received from MnSCU Vice Chancellor Laura King to use reserves to prepay a ground lease for the aerospace site. Whether this lease prepayment will indeed occur in FY2014 is unknown at this time. The amount is unknown and is not built into the budget.

MnSCU Context

http://www.finance.mnscu.edu/budget/budgetrequests/pdf/House_HigherEd_Summary_2_8_13.pdf

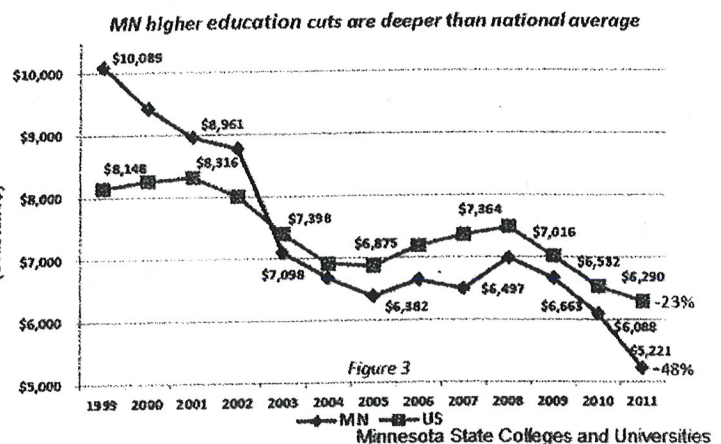
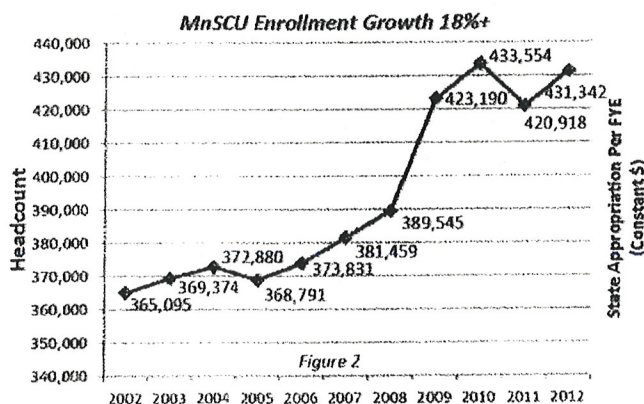
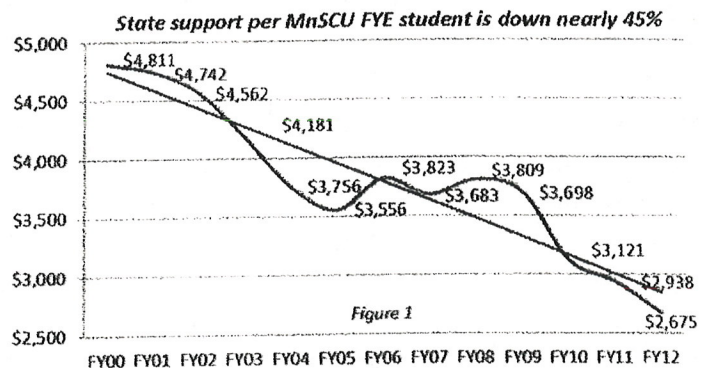
State support per FYE MnSCU student has declined by nearly 45% since FY2000, while the system now educates 66,247 more students per year than in FY2000. Minnesota's reduction is among the nation's deepest – in 1999, Minnesota's higher education appropriation per student was 24% higher than the national average; now it is 17% below.

State Funding and Enrollment Trends

Figure 1 shows state support per FYE MnSCU student has declined by nearly 45% since FY2000. In FY2012, MnSCU educated 66,247 more students (+18%) (figure 2) and produced 16,054 more graduates (+62%) than in FY2000.

Minnesota's total inflation adjusted higher education state appropriation per student has declined 48% from FY 1999, (figure 3, red line) compared to an average decline of 23% for the nation (blue line).

Minnesota's reduction is among the nation's deepest – in 1999, Minnesota's higher education appropriation per student was 24% higher than the national average; now it is 17% below.



A total of 964 programs have been eliminated from MnSCU institutions since FY2006. In FY2012, reallocations and reductions resulted in 151 layoffs (FTE) and 276 vacancies eliminated (FTE).

Northland is not alone in its budget challenges. This table presents current information about the enrollment at MnSCU colleges, their carry forward balances and their plans to use carry forward reserves to prepare for FY2015 and FY2016.

College	Actual FYE FY2013	Projected FYE FY2014	% Change	Carry Forward Balance	Use of Carry forward FY2015	Use of Carry forward FY2016
Alexandria	2324	2175	- 6.4%	7,205,390	Y	Y
Anoka Ramsey	5918	5720	- 3.4%	14,991,689	-	-
Anoka Tech	1602	1498	- 6.5%	5,182,540	-	-
Central Lakes	3371	3157	- 6.4%	7,950,375	N	N
Century	7393	6951	- 6.0%	13,205,470	-	-
DCTC	2478	2278	- 8.1%	10,261,884	-	-
Fond du Lac	1301	1235	- 5.1%	4,702,801	Y	Y
Hennepin Tech	4515	4200	- 7.0%	8,273,151	N	N
Inver Hills	4049	3968	- 2.0%	13,508,037	-	-
Lake Superior	3768	3756	- 0.3%	10,074,684	-	-
MCTC	6726	6439	- 4.3%	16,423,042	-	-
SE Tech	1701	1580	- 7.1%	2,234,397	Y	Y
M State	4863	4700	- 3.4%	9,777,724	-	-
Minn West	2225	2090	- 6.1%	7,911,640	Y	Y
Normandale	7048	6725	- 4.6%	26,819,393	Y	-
N Hennepin	4943	4978	+ 0.7%	20,371,561	Y	Y
NEHED	4208	4078	- 3.1%	13,571,817	Y	Y
Northland	2717	2550	- 6.2%	9,031,988	Y	Y
NW Tech	783	750	- 4.2%	2,919,715	Y	-
Pine Tech	667	680	+ 1.9%	1,190,477	-	-
Ridgewater	3288	3025	- 4.0%	13,270,141	Y	Y
Riverland	2321	2200	- 5.2%	4,918,938	Y	Y
RCTC	4444	4055	- 4.0%	12,405,077	N	Y
St. Paul	4778	4826	+ 1.0%	16,103,596	N	Y
South Central	2726	2700	- 1.0%	8,958,674	Y	Y
St Cloud TCC	3493	3471	- 1.0%	17,227,969	Y	Y
TOTAL	93650	90000	- 3.9%			

FY2015 Budget Challenges

Challenges in building a budget for FY2015 arise from two primary sources:

1) System Level - See "black box" diagram (attachment A)

Insufficient resources were provided by the legislature to address compensation increases. MnSCU asked for 3% in increased allocation for compensation increases; the legislature provided 2.6%. This situation was exacerbated when Minnesota Management and Budget (MMB) settled contracts with AFSCME and MAPE bargaining units that established a state pattern at 3.6% - 3.9% annually. What remains of the legislative increase to settle compensation with remaining bargaining units is only 1.8%.

Obviously Northland and the MnSCU system wish to provide the same level of compensation advancement to our faculty members as was agreed to between MMB and the AFSCME and MAPE units. At this time, however, MnSCU colleges and universities simply do not have the resources to do this. MnSCU has calculated that the gap between available funds and compensation settlements that follow the state pattern is \$48 million.

The System Office has prepared a legislative request that would convert the one-time \$17 million granted for talent retention in FY2014 to base funding for both FY2014 and FY2015. Additionally, for FY2015 the system has requested \$14 million to close the gap. We will work with our legislators to make sure that they understand the gap and the remedies that are required. Support of the request would provide the funding needed to enable contract settlements for MnSCU faculty bargaining units in the range of contract settlements previously agreed to by MMB and other state employee bargaining units.

While legislative allocation funding for MnSCU was higher in the FY2014-2015 biennium than in had been in the prior biennium, the increase actually only bought down the tuition revenue that we anticipated, had we been able to increase tuition by the 3% that our student senates had approved.

2) Local Level

Northland suffered and unexpected decline in enrollment. We had budgeted for 2715 FYE, based on the experience of recent years. Instead, it appears that our FY2014 enrollment will be 2550 FYE, a 6.2% reduction. Enrollment declines have occurred at all but three MnSCU colleges this year.

We believe that the extremely low unemployment rate and the continuing decline of the high school age population in our area are contributing factors. An increasing percentage of our students are enrolled part time. More work will be done to try to pinpoint the demographic characteristics of our enrollment loss.

Loss of tuition revenue due to decreased enrollment is a budget challenge that must be solved locally by adjusting programs and services to the size of our student population.

As shared with the Shared Governance Council in December, there are many “confounding elements” that are out of the college’s control as it approaches the FY2015 budget. This document is attached (Attachment B).

Northland Status

With a significant number of unknowns, Northland’s finance office has moved to identify the “worst case” and “best case” scenarios.

1. Financial “bookends” for FY2015; projected deficit scenarios:

Projected enrollment	2400 FYE	2450 FYE	2500 FYE
No additional revenue	\$2,504,411	\$2,246,343	\$2,012,577
\$17 M added to MnSCU base	\$2,104,411	\$1,870,456	\$1,612,577
\$31 M added to MnSCU base	\$1,844,411	\$1,610,456	\$1,352,577

2. Tolerance for deficit spending in FY2015 – what amount will show satisfactory progress toward planned improvement? We discussed a tolerance for \$700,000 in deficit cash spending. This will cause a reduction in the college’s cash balance, but will show improvement toward cash neutrality
3. With the identified deficit tolerance, what is the amount that needs to be cut from the budget?

Projected enrollment	2400 FYE	2450 FYE	2500 FYE
No additional revenue	\$1,804,411	\$1,546,343	\$1,312,577
\$17 M added to MnSCU base	\$1,404,411	\$1,170,456	\$912,577
\$31 M added to MnSCU base	\$1,144,411	\$910,456	\$652,577

4. What is the percentage cut represented by each of these figures using \$27,370,907 as the denominator?

Projected enrollment	2400 FYE	2450 FYE	2500 FYE
No additional revenue	6.59 %	5.65 %	4.79 %
\$17 M added to MnSCU base	5.13 %	4.19 %	3.33 %
\$31 M added to MnSCU base	4.18 %	3.16 %	2.38 %

Steps to Decisions

This level of projected deficit requires significant planning. All administrators have been directed to develop tentative budget reduction strategies to reduce budgets by 4.5%, and 6.5%. They have been urged to further identify a 10% reduction strategy. This amount would allow us to reach cash neutrality in the worst case scenario in FY2015.

If not fully employed for FY2015, the reductions identified at this amount would allow for planning for cash neutrality for the FY2016 budget. The need for employing these most painful strategies may be mitigated by enrollment growth, permission to increase tuition, or increased state allocation.

Attachment A

Minnesota State Colleges and Universities Compensation Analysis MMB's Contract Settlements with MAPE and AFSCME \$s in millions

2014-2015 System Request

Compensation planning estimate

104

Estimate based upon 3% increase, funded with tuition, state support and campus reallocations.

2013 Legislative Results

On-going compensation support

87

Funded with state support (\$78M) and campus reallocations (\$9M) only, tuition frozen so no new tuition funds. Supports 2.6% salary and fringe benefit increase. On-going support does not include \$17M of one-time funds.

Resulting gap compared to planning estimate

-17

Recent State Settlements

Compensation cost if similar to state settlements

135

MMB's AFSCME and MAPE settlements establish state pattern at 3.6% - 3.9% annually, well above planning estimate and available on-going support. After paying for AFSCME and MAPE settlements, remaining available on-going resources sufficient for salary and fringe benefit cost increases of 1.8% annually for faculty and other staff.

Resulting gap compared to on-going support available

-48

Solution

Use \$17M available in 2014 plus provide an additional \$17M of on-going (base) funds in 2015

34

Add on-going (base) funds in 2015 to support state settlement

14

48

Legislative Request

Provide on-going (base) funding of \$17M in 2015

17

Provide additional on-going (base) fund of \$14M in 2015

14

Total New Funds

31

Attachment B

Northland Community and Technical College

FY 2015 Budget

Confounding Elements – In beginning to draft the FY2015 budget, the Northland administration has identified numerous issues beyond the control of the college that confound the process of predicting either revenues or expenditures. Rather than presenting a draft FY2015 budget at this time, this paper will identify and briefly explain the issues that need to be resolved or estimated (worst- and best-case scenarios) before a meaningful draft budget can be prepared.

- Impact of the 60/120 Legislation – We know that we will lose FYE as we fully implement the adjustments to program length that were mandated by this legislation. Our rough estimates indicate a 19 FYE loss for FY2014, escalating to a nearly 60 FYE loss by FY2016.
- Mandated changes to LPN program length – All PN programs will be limited to 40 credits by fall, 2016. This will be a reduction from 50 credits in the diploma program and 60 credits in the AAS program. Total impact on FYE will depend on the number of students enrolled.
- Aerospace regional issues – Two significant developments are likely to influence the opportunities of employability of AMT, UAS, and IA graduates and, hence, enrollments in these programs. By the end of December the FAA is expected to announce the six national test sites for UAS integration and by January 14, 2014, the US Air Force is expected to sign an Enhanced Use Lease with Grand Forks County for development of a 220 acre research and development park.
- North Dakota is still working to implement its “Pathways” program to increase admissions standards to its research universities. Preliminary discussions between Northland and UND have revealed that there may be opportunity to co-promote the two institutions.
- The MN legislature allocated \$17 million to MnSCU in one-time dollars for retention of talent. The riders attached to this bill have made it impossible to utilize while honoring existing labor agreements. Recommendations will be made to the legislature to redirect this money to base funding. If this were to happen, Northland’s share would be about \$400,000.
- Negotiations are still underway with MSCF and IFO for the 2013-2015 contracts. Until these contracts are settled, it will not be possible to estimate compensation increases for faculty or for other bargaining units where negotiation will be subsequently settled.
- Minnesota Management and Budget just announced that the state may have a \$1 billion + surplus for the next year. The K-12 funding shift will be repaid, leaving an estimated \$825 million surplus. The legislature and the governor will determine if they will entertain supplemental budget requests after the February budget forecast. MnSCU will act accordingly.
- As reported to the Shared Governance Council, several changes are anticipated in the way Farm Business Management is offered. Advanced levels will likely be offered as customized training or continuing education. This will lead to reduced FYE and reduced deficit. Additionally, alternative agriculture credit offerings are planned that will mitigate the impact in the loss of FYE and broaden the available education offerings.
- The costs for health benefits are likely to increase as the full impact of the Affordable Care Act are realized. This will probably not affect MnSCU colleges until FY2016.
- More than half of MnSCU’s colleges and universities are anticipating that they will have to use carry-forward reserves to balance the FY2015 and/or FY2016 budgets. The Chief Financial Officers will work with the System Office to gain perspective on how such deficit planning will be regarded.

- We have continued concern over Lake Superior College's intent to start an Aviation Maintenance program and the impact on Northland enrollment
- The tuition freeze imposed by the legislature for the FY2013-2015 biennium has limited the ability of the college to change tuition revenue to match changes in mandated spending.
- Many opportunities are emerging through which Northland may be able to grow its way out of budget deficit. These opportunities, however, may require investments:
 - Evening offerings targeted to working adults who need specific skills or certifications
 - Utilizing the Roseau site for expanded offerings to northern communities and the industries located there
 - New agricultural programming that will reach into high schools, broaden credit offerings, and articulate with baccalaureate programs
 - New grants – precision agriculture, secondary-to-post-secondary projects, etc.
 - Revise COI practices to enhance new contracts and offerings
 - Enhance technical offerings for College in the High School
 - Collaboration with UND
 - Continue to develop the Engineering Technology program in collaboration with regional industry and UND
 - Likely contracts to provide customized training in aerospace-related subjects
 - Need for truck drivers – Northland's CVOP program redesign and use of truck-driving simulator
 - Full implementation of the Strategic Enrollment Plan and the "Commit 2 Complete" HLC quality initiative

*Expenditures, 'Equipment' line item – columns 1 and 2 should read the same as column 3 - \$213,874

1/27/2014

**GENERAL FUND
BUDGET
FY15**

	See note 1 2400 FY15 1/27/2014	See note 2 2450 FY15 1/27/2014	See note 3 2500 FY15 1/27/2014
REVENUE			
Allocation (Base)	10,711,095	10,711,095	10,711,095
MNSCU Special Allocations			
PALS	23,888	23,888	23,888
Access/Opportunity	199,511	199,511	199,511
Leveraged Equipment	189,540	189,540	189,540
Other State Support			
FBM Funds-Misc	-	-	-
Centers for Excellence-BSU	26,585	26,585	26,585
Tuition			
Projected actual cash collections.	11,787,237	12,032,777	12,278,317
Other Revenues			
Tech Fees (\$9/cr)	601,439	613,968	626,496
Indirect Cost Rate-FBM Benchmark	-	-	-
Indirect Cost Rate-IA	-	-	-
Misc Income	682,356	682,356	682,356
Total Other Revenues	1,283,795	1,296,324	1,308,852
Custom Training Revenue	644,844	644,844	644,844
TOTAL REVENUE	24,866,496	25,124,564	25,382,632
EXPENDITURES			
<u>Gen Fund</u>			
Total Personnel	20,219,503	20,219,503	20,219,503
Equipment	* 213,684	* 213,684	213,874
Equipment required for leveraged equipment match	189,540	189,540	189,540
Nonpersonnel Budgets	5,869,362	5,869,362	(4,5) 5,869,362
<u>Custom Training</u>			
Total Personnel	600,000	624,113	624,113
Nonpersonnel Budgets	278,818	278,818	278,818
TOTAL EXPENDITURES	27,370,907	27,395,020	27,395,210
CASH SURPLUS / (DEFICIT)	\$ (2,504,411)	\$ (2,270,456)	\$ (2,012,577)

BLACK BOX REQUESTS:

NCTC portion if \$17 million added to base	400,000	400,000	400,000
	\$ (2,104,411)	\$ (1,870,456)	\$ (1,612,577)
NCTC portion if \$17 and \$14 million added to base	660,000	660,000	660,000
	\$ (1,844,411)	\$ (1,610,456)	\$ (1,352,577)
Labor Settlements above legislative funding	?	?	?

Notes:

- (1) 2400 FYE is a 4% reduction from 2014 expected FYE, and a 11.67% decrease from FY13.
- (2) 2450 FYE is a 2% reduction from 2014 expected FYE, and a 9.83% decrease from FY13.
- (3) 2500 FYE is a 0% reduction from 2014 expected FYE, and a 7.99% decrease from FY13.
- (4) Nonpersonnel is reduced by IT Enterprise budget of \$104,338. No inflation calculated.
- (5) Nonpersonnel reduced by \$280,000, remodels from FY14.

FOOTBALL DECISION

Prepared for Shared Governance Council, Feb. 12, 2014

Status

The Northland Community & Technical College administration announced its decision to suspend the college football program on December 16, 2013

Many opinions have been expressed – both negative and positive. Many people do not agree with the administration's decision; many do. It does not appear likely that opinions will be reconciled through further discussion.

At this meeting, the administration will present the following:

- Recap of Rationale for the decision to suspend the program
- Timeline and Process for Reconsideration
- Conditions for Restoration of the Program

Recap of Rationale

There was not one determining factor in the decision. There was a cluster of contributing causes:

- Fact: The college budget for FY2015 is extremely challenging. This has been exacerbated by a decline in enrollment similar to that of other MnSCU colleges.
- Fact: There is a significant shortfall in student life funds due to the decline in enrollment.
- Fact: NCTC athletic programs have expressed the need for significant budget increases.
- Fact: All NCTC athletic programs face increasing costs.
- Fact: NCTC must adhere to the requirements of Title IX. As a college, we need to determine which prong of compliance we will follow. The addition of a women's sport might be needed to assure compliance.
- Fact: There is a severe housing shortage in Thief River Falls; assisting students to find housing has been extremely challenging.
- Administrative position: The level of support and supervision required for successful deployment of a football team justifies that the football coaching assignment be imbedded with a position on campus. The administration did not believe that the position, as configured for the past several years was a successful model. Without the agglomeration of football, women's' softball and HPER courses requiring a master's degree, there was not a position to offer.
- Administrative position: Women athletes in the softball program have a right to expect coaching that puts them at a priority.
- Administrative position: Several MCAC colleges are concerned about the sustainability of their athletic programs in the declining budget situation state-wide.
- Administrative position: The resignation of the football coach created a situation within which a decision needed to be made.

Timeline and Process for Reconsideration

Given the complexity of the issues and the college's commitment to long-term planning in the next year, there will not be a football program at Northland in FY 2015 and FY 2016. One thread of the Academic Master Planning Process (AMP) will focus on the role and importance of intercollegiate athletics. A task group to reconsider football will fit within this planning process:

- Planning the process – Spring, 2014
- Developing the plan – Fall, 2014
- Developing the college strategic plan – Spring, 2015
- If it is determined that football should be part of the college's future, recruitment could be resumed in Fall, 2015 for the Fall, 2016 season

Conditions for Restoration of Football

- Northland must determine how it will satisfy the requirements of Title IX.
- Housing that meets the needs of our students must be available on the Northland TRF campus or in the Thief River Falls community.
- The restoration of football must be prioritized through college planning processes.
- The football coaching assignment must be imbedded in a position that assures adequate supervision and support of student athletes in the football program.
- There must be a plan to identify and secure financial resources to support a football program.