

Budget Advisory Group  
Minutes  
January 26, 2010, 12:45 p.m. – 1:45 p.m.  
Atwood Memorial Center, Glacier Room

Attendees: Sue Bayerl, Bob Beumer, Diana Burlison, Larry Chambers, John Eggers, Jo Flanders, Dan Gregory, Tony Hansen, Mark Jaede, Sarah Larson, Amos Olagunju, John Palmer, Mahmoud Saffari, Mark Springer, Kristi Tornquist, Leslie Valdes, and Rachel Wexelbaum

I. Announcements.

It was announced that Steve Ludwig was unable to attend the meeting due to attending bonding hearings at the State of Minnesota Capital Building. It was also announced that Leslie Valdes has been appointed by the Faculty Association Budget Committee as the Budget Advisory Group Co-Chair.

II. Campus Strategies Summary Report Discussion.

The [Strategic Resource Allocation / Responsibility Center Management](#) Report compiled by Campus Strategies, LLC, was projected for view. Discussion was opened for opinions/feedback on the report.

It was explained that the process holds each responsible person accountable for his/her area(s). One person commented that charge back systems would need to be implemented. Another stated that an additional outcome of the process would be the cost of services would be made known.

A couple of attendees relayed that issues of buy-in, readiness for change, and confidence of data were issues conveyed during the sessions. An attendee stated a trust assessment is slated to be completed.

It was suggested that a leadership group be established to determine how this process would be implemented.

One attendee shared that while unable to attend the sessions, it seemed questionable whether time was available due to current efforts invested in academic restructuring.

III. Program and Market Based Tuition Reporting Procedures Discussion.

It was reviewed that the Department of Art and Department of Nursing have incorporated differential tuition following a pilot program implemented two years ago. While the term “pilot” has been removed, it is anticipated both departments will have annual reports related to the guidelines:

- Showing how funds were spent
- Demonstrating evidence that students endorse differential tuition
- Indicating how enrollment has not been affected negatively by it

For clarification, an attendee said, program based tuition came out of demand for class materials that entail a higher cost for supplies than other programs; market based tuition is a price for a class that the market will support even if the charge far exceeds the actual cost.

It was shared by an attendee that the current document is three years old and the Office of the Chancellor (OoC) has also developed guidelines regarding program based tuition. It was then recommended that a small group convene to draft an updated version which incorporates the guidelines developed by the OoC as well as offer an assessment of how the current policy has worked. Volunteers who agreed to meet include: John Palmer, Jo Flanders, and Diana Burlison. In addition, it was suggested that someone from the area of on-line classes, nursing, business, and the College of Science and Engineering be invited to participate or offer input. Mark Springer agreed to solicit a representative from the College of Fine Arts and Humanities.

The question was asked if the OoC had parameters for on-line tuition. One person responded that they did not believe so. It was agreed that information will be sought out and whether or not available, it would be a good time to include it in the updated document.

It was recommended by an attendee that market based tuition proposals also follow a review process.

#### IV. Office of the Chancellor - Economic Outlook Presentation.

The “Finance Talk with Vice Chancellor – Chief Financial Officer Laura M. King” presentation located on the web at <http://www.finance.mnscu.edu/index.html> was projected and played for attendees.

The meeting adjourned at 1:46 p.m.

Future topics:

Assessing Programmatic Fiscal Issues  
Budget Planning Activities

#### **Proposed** future meetings:

Tuesday, February 9, 2010  
Tuesday, February 23, 2010  
Tuesday, March 16, 2010  
Tuesday, March 30, 2010  
Tuesday, April 13, 2010  
Tuesday, April 27, 2010