Administrative Affairs Council Minutes  
December 8, 2009 – 3:00 p.m.  
Conference Call

Participants  
Dave Clark and Tamara Barber – BSC  
Alvin Binstock and Mark Lowe – DSU  
Steve Bensen – MaSU  
Ron Dorn and Jonelle Watson – MiSU  
Jim Borkowski – MiSU-BC  
Mike Renk – NDSCS  
John Adams and Karla Mongeon-Stewart – NDSU  
Alice Brekke – UND  
Trudy Collins – VCSU  
Brenda Wigness – WSC  
Laura Glatt, Cathy McDonald, Robin Putnam, Mick Pytlik and Deanna Dailey– NDUS Office

Discuss IPEDS Definitions and Reporting  
Ms. McDonald has been working on the 2009 accountability measures and in the process, encountered different standards in IPEDS reporting between NDUS campuses. IPEDS definitions do not include a specific number of credit hours to assume when reporting tuition and fees, nor do they include a specific number of meals to assume when reporting board rates. They do indicate that double occupancy should be assumed for room rates, so that component was consistently reported.

Ms. McDonald indicated that since IPEDS data will be used for accountability measures reporting, it will be important to ensure consistency to the maximum extent possible, which will also help to reduce the number of manual adjustments needed to arrive at consistent measures. Ms. Glatt asked if anyone has a concern with using 15 credit hours, double room occupancy, and 14-15 meal plan as the definition of a full-time student. No concerns were expressed. Ms. Glatt said she understands that various campus departments are responsible for IPEDS reporting and asked the Admin Affairs Council to work with the appropriate individuals on campus to ensure that the changes are made in future reporting. Ms. McDonald said she’d send a message to the business officers listserv outlining the definitions to use when reporting tuition and fees and room and board rates to IPEDS and ask them to forward it to the department responsible for providing these statistics. She also indicated that if there are any issues that arise, following consultation with the appropriate campus personnel, to please contact her.

Update Capital Budget Changes, as Necessary  
Ms. Glatt said Administrative Affairs Council recommended changes to the capital budget, were discussed at the December 2nd Cabinet meeting. The two primary issues discussed by the Cabinet were: 1) One president suggested we need to remove the word “major” from major capital projects, as this suggests large, expensive projects, which is not always the case; and, 2) possibly either create a new category, or focus 2.b (earmarked pool of funds on the major capital
project priority list) or 3 (small to medium size campus projects) funding on creating a “green campus” initiative (see page 11 of today’s agenda materials). Ms. Glatt indicated, and the Council agreed, that we need to be careful about designated categories of projects, as it is as difficult to determine what is (or is not) considered a “green project” as it is to determine what is (or is not) a deferred maintenance project.

Ms. Glatt said she distributed two documents to the business officers on December 7 to assist with defining “major” for capital. The first is a history of approved projects broken down into dollar increments (e.g. $0-250,000, $250,001-500,000, etc.) and the other looks at a percent of replacement value. After reviewing the data, she said she concluded that using a percent of replacement value does not appear practical. While it does account for the large differences in plan size between campuses, it does create large dollar thresholds at some campuses like UND and NDSU. Instead, she is recommending that we use historical funding of extraordinary repairs as the basis of determining what is considered “major.” She explained that what often happens is those repairs/renovations that can’t be covered by base funding, due to the limited availability of dollars, end up becoming major capital projects. Based on this, Ms. Glatt proposed the following dollar thresholds for determining “major” capital projects:

<table>
<thead>
<tr>
<th>Extra-ordinary repairs funding per year</th>
<th>Campus</th>
<th>Proposed Major Capital Project Threshold</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;$100,000/yr.</td>
<td>LRSC, WSC, DCB</td>
<td>$250,000</td>
</tr>
<tr>
<td>$100,000-200,000/yr.</td>
<td>BSC, DSU, MaSU, VCSU</td>
<td>$250,000</td>
</tr>
<tr>
<td>$200,000-300,000/yr.</td>
<td>MiSU</td>
<td>$500,000</td>
</tr>
<tr>
<td>$300,000-400,000/yr.</td>
<td>NDSCS</td>
<td>$500,000</td>
</tr>
<tr>
<td>$800,000-1,000,000/yr.</td>
<td>UND, NDSU</td>
<td>$1,000,000</td>
</tr>
</tbody>
</table>

Based on the proposed dollar thresholds, Ms. Glatt said she could not identify any instance where the proposed dollar threshold would have prevented any of the past approved projects. Mr. Borkowski pointed out that these reports only show projects that were funded, not necessarily requested. Ms. Glatt cautioned that she doesn’t want to get the dollar threshold too low, or else all projects will be considered “major.”

Ms. Glatt said the council does not need to act on this today. She wanted to explain the reports and give the members time to consider the matter and offer suggestions. The matter will be on the next Administrative Affairs Council agenda for resolution and final action.

**LTFP Task Force Recommendations**

A report from the SBHE LTF Plan and Tuition and Fee Task Force was distributed to group via e-mail earlier today. Ms. Glatt reviewed the recommendations of the task force.

Ms. Glatt asked the group for feedback regarding this report, either now or sometime prior to the task force meeting next week. She indicated Dave Clark, Trudy Collins, and Alice Brekke are also on the committee, and any comments/questions can be directed to them, as well. Mr. Clark said he believes Board members are working through these issues from their perspective and he feels the tuition discussion is a highly critical issue, not only for BSC, but also for other campuses offering online courses.
Discuss Tuition Model Changes
Ms. Glatt said there are two issues regarding our current tuition model that the Council will be asked to review and make recommendations:

1. Converting all NDUS institutions to a per-credit hour tuition rate
2. Reducing the number of residency categories – resident, non-resident, contiguous, etc.

Ms. Glatt distributed two past reports on per credit hour tuition models and asked those that have had experience in switching to a per-credit hour tuition model for suggestions, lessons learned, etc.

Mr. Clark reported that when BSC converted to the per-credit hour model, it was kind of “touch and go” relative to whether or not they’d fully implement the practice, due to campus concerns from faculty. Initially, students were charged for the first 12-13 credits, then given two free credits, and charged per credit for credits 16 and above. This was done as a way to address concerns that moving to per credit hour would reduce student exploration and participation in enrichment courses. After a couple of years, they eliminated the free credits. They shifted private scholarship dollars to those students interested in taking enrichment courses (e.g. drama, etc). He said they projected a reduction in credit hours when setting the initial per credit hour rate, but the average student loan did not change much (<1 credit per FT student) in the transition, and as a resulting in an increase in total revenues. A question was asked about what is the revenue assumption, and Ms. Glatt indicated that she assumed that the intent would be to keep the change initially as revenue neutral as possible to the institution. Mr. Clark expressed concern regarding some major issues that could arise if the Board tries to do this as a ‘break-even’ process.

Ms. Brekke said she’s heard from other institutions who tout the per-credit hour model as a way to get the student more efficiently through their programs by reducing the number of enrichment courses, etc., and asked Mr. Clark if BSC had a similar result. He responded that they did not track this, and added that there was minimal student reaction to the changes when implemented, possibly due to the fact that the students are only on campus two years, as opposed to longer at the four-year campuses. However, there was some reaction from faculty. Ms. Glatt asked Mr. Clark about the free credits they initially offered and whether or not they would do it again. Mr. Clark responded that he believes they would just “bite the bullet” and eliminate the free credits right away. Ms. Collins said at VCSU, they are seeing reduced enrollment in enrichment courses and as a result, their faculty senate passed a resolution last month asking the president to eliminate the per-credit method. Mr. Clark and Mr. Renk stated they experienced the same thing at BSC and NDSCS, as well. Mr. Renk reported that NDSCS had initially built in a 5% reduction in tuition revenue due to assumed drop in credit hours; however, they only actually experienced a reduction of about 1 percent in credit hours. NDSCS did not suffer a drop in enrollment. They worked with private entities to offer scholarships for enrichment courses, which helped to secure faculty support early in the transition. Many students participated in those private scholarships, according to Mr. Renk. Mr. Clark agreed that faculty resistance was eventually eliminated. Ms. Wigness indicated that WSC began the transition to a per-credit method with the ‘free zone;’ however, because online courses can’t be free and a number of other issues, it was difficult to explain to students. Ms. Wigness added that the free credits have
made the process quite complicated and they only implemented the plan due to faculty pressure. Ms. Collins agreed that this issue is not a big one to the students, but it is for the faculty.

It was agreed that the Admin. Affairs Council, as a whole, will work on the tuition model study, consulting others on campus, as necessary throughout the process. Ms. Glatt said she would work with CND staff to get some raw data that all campuses will likely need in preparing their own analysis.

The council agreed that this issue will be on the January 5, 2010, Administrative Affairs Council agenda, at which time the process will be discussed in more detail. Ms. Glatt said this meeting will likely take place via conference call.

In response to a question from Mr. Binstock, Ms. Glatt said she does not know if the Board expects the tuition plan to be revenue neutral. However, she indicated that it will important to keep it as cost neutral (for the average full-time student) as possible, realizing that it will be impossible to be totally revenue neutral.

Other
Mr. Pytlik informed the Council that SITS is preparing a survey to be distributed to various campus users seeking input about the need for and priority of SITS services. This year, they are planning to expand the user population, to include students, faculty/staff, and library patrons. He encouraged Council members to complete the survey when they receive it.

Meeting adjourned at 4:53 p.m.

Future Meetings
January 5, 2010
February 2, 2010
March 9, 2010
April 6, 2010
May 11, 2010
July 20-21, 2010 (Retreat)
September 7, 2010
October 5, 2010
November 9, 2010
December 7, 2010