Administrative Affairs Council Minutes
January 8, 2013 – 2:00 p.m.
Conference Call

Participants
Dave Clark and Tamara Barber – BSC
Tad Torgerson and Mark Lowe – DSU
Corry Kenner and Joann Kitchen– LRSC
Kara Bowen – DCB
John Richman, Mike Renk and Keith Johnson – NDSCS
Gary Wavers, Cindy Rott and Karin Hegstad – NDSU
Alice Brekke and Peggy Lucke – UND
Doug Dawes – VCSU
Laura Glatt, Cathy McDonald, Mick Pytlik and Deanna Dailey – NDUS Office

Ms. Glatt called for agenda additional items. There were none.

Ms. Glatt welcomed Tad Torgerson, the new Vice President for Business Affairs at Dickinson State University.

Tax Intercept Program for Uncollectible Student Accounts
Ms. Glatt referred to the article on page 2 of the materials, “Owe Ivy Tech? Don’t expect tax refund.” She explained the tax intercept program, and suggested this is something the NDUS may want to consider. She said that it is likely that a statutory change would be required to implement the program. Ms. Glatt asked this group whether they felt it was worth investigating.

Ms. Brekke suggested we research whether any other state systems use the tax intercept program and if so, to learn about their experience with it. Mr. Clark suggested discussing the program with NACUBO and other similar listservs. Ms. Glatt said she would visit with the North Dakota Tax Department and other state university systems, after which she will share her findings with this group.

Accumulated Fee Balance guidelines
Ms. Glatt thanked everyone for making time to discuss their campuses’ fee balances recently. In those discussions, it was learned that there was a variety of timelines for each institution to eliminate the balances (some 2013, some 2014). Ms. Glatt discussed these timelines with the Chancellor, who agreed to a firm deadline for each campus to appropriately reduce/eliminate all of the fee fund balances by no later than June 30, 2014. These accumulated balances are to be used for the purpose(s) for which the fee was originally assessed and the direct benefit of the students in the course, class or program paying the fee. For those fees that are intended to be merged with tuition in Fall 2014, accumulated fund balances (regardless of amount) should be fully utilized no later than June 30, 2014. Funds should be used for (1) one-time expenses, where practical, or (2) base expenses by temporarily changing the funding source, where necessary.
Dr. Richman said that he understands once the fee becomes merged with tuition, the remaining accumulated balance will be required to be moved to institutional collections. However, regarding the fees to remain as stand-alone fees, Dr. Richman asked whether there is anything more descriptive of what is considered a “reasonable documented amount.” Ms. Glatt replied that Dr. Shirvani recognizes that programs and fees vary, thus this has been left to the discretion and good judgment of campus officials. She added that the key word is documented. She suggested the campus develop a consistent practice.

Since there were no further questions or discussion on the subject, Ms. Glatt said she now considers the document “Accumulated Fee Balance Review as of June 30, 2012-Guidelines” to be final and added she trusts that this group will share the information with their president.

**Legislative Session**

Ms. Glatt announced the hearing schedule has been distributed The SBHE introduced the following bills:

1. Extends 1% mandatory fee limitation
2. Removes outdated language concerning financial aid programs
3. Clarifies resident for tuition purposes for NDUS employees.
4. Removes outdated reference concerning allocation of a fixed percentage of state grant funds to private institutions.

Ms. Glatt said the Legislative Council bill tracking system is not yet functional but we will be utilizing this new system. Also, beginning Thursday, January 8, the chancellor will be holding weekly cabinet conference calls starting at 3:00 p.m.

Dr. Richman asked whether the Governor’s funding bill will be separate from the NDUS budget bill. Ms. Glatt replied that it will be; however, the funding bill has not yet been introduced. In response to another question from Dr. Richman, Ms. Glatt said the $800,000 community college awareness funding is embedded in SB2003 base appropriations in the NDUS office.

Mr. Bensen asked whether there had been any discussion about tuition increases. Ms. Glatt said not at this time. The SBHE has not discussed whether it’s appropriate to increase tuition, either.

There was some discussion regarding the funding for 24/7 onsite campus security, as well as for mental health care, and the disproportionate impact on various campuses.

Ms. Glatt reminded everyone that the institutional presidents are expected to make the presentations before Legislative committees this session, including the appropriation committees. Presidents will, however, be allowed to ask their business officer to respond to a specific question, when appropriate.

**Sharepoint**

SITS is working on developing a Sharepoint site to use when requesting data from each of the campuses. Sharepoint will eliminate the need for someone to have to re-key and merge
individual campus responses. One of the issues they are working on now is the workflow and notification, and ensuring the VP is the final sign off authority.

Pathways Tuition Model
Ms. Glatt gave a brief update on progress to the Pathways for Student Success and SBHE Fees Performance Audit Due Dates. She said the System office is beginning to review the campus submissions outlining their initial proposed undergraduate resident per credit or flat “base” rate, as well as the other items that were submitted to system office staff by December 31, 2012. Ms. Glatt encouraged campus personnel to begin working on their blended tuition rates and not wait for the System office to review the other issues.

In response to a question from Ms. Brekke, Ms. Glatt said all tuition rates should be in by February 1, 2013, including graduate programs. When asked about online rates, Ms. Glatt replied that the Chancellor has indicated we’re not dealing with online rates at this stage of the “Pathways” plan. Ms. Glatt has discussed the challenges this presents to the campuses; however, Dr. Shirvani is firm with the fact that we are not dealing with online rates at this point.

Mr. Bensen asked whether each campus request a unique tuition rate based on that campus having a unique program. Ms. Glatt replied yes, if the program is truly unique to an individual campus. In response to a question from Mr. Lowe, Ms. Glatt said we need to be sure that where programs are similar across campuses within each tier, those campuses are consistently blending or unblending fees to avoid any confusion.

When Mr. Clark asked if students are allowed to testify at the Senate appropriation hearing, Ms. Glatt responded that she feels students, industry folks, etc., are welcome to testify during campus hearings.

There was discussion regarding the recent audits performed by the SAO. Ms. Putnam said the Audited Financial Statement Report is being printed and a copy will be mailed to anyone interested in receiving one. Ms. Glatt said she does not know if LAFRC will hold a special meeting to take up the audits at this time.

Meeting adjourned at 2:53 p.m.

Future Meetings
February 12, 2013