Administrative Affairs Council Minutes  
November 19, 2013 – 9:00 a.m.  
Conference Call

Participants  
Tamara Barber and Mary Eisenbraun – BSC  
Kara Bowen – DCB  
Mark Lowe – DSU  
Corry Kenner and JoAnn Kitchens – LRSC  
Steve Bensen – MaSU  
Dennis Gladen and Keith Johnson – NDSCS  
Bruce Bollinger, Karin Hegstad, and Cindy Rott – NDSU  
Alice Brekke, Cindy Fetsch, and Peggy Lucke – UND  
Brian Foisy – MiSU  
Doug Dawes – VCSU  
James Foertsch and Laurie Furuseth – WSC  
Laura Glatt, Cathy McDonald, Mick Pytlik, and Terry Meyer – NDUS Office

CND Manager Self Service Update  
Ms. Thorsen was not able to participate in the meeting so this item will be addressed at a future meeting.

State Fleet Vehicles/Risk Management Issues  
Ms. Lucke said she recently learned that the Loss Control Committee is examining the same issue. Cynthia Wagner-Goulet has drafted a general memo which is currently being reviewed and which will be submitted to Risk Management for response. It was suggested that the document be expanded to adequately define higher ed’s business needs/purpose and develop specific scenarios and appropriate system-wide guidance. Many Council members spoke to the current limitations and administration difficulties and the importance of better defining our needs and providing clear guidance to front line staff. Ms. Lucke agreed to take the lead and work with representatives from MiSU, WSC, and VCSU and with the Loss Control Committee to develop a recommended plan.

On another issue, Ms. Glatt mentioned that Chancellor Skogen sent a memo to the Dept. of Transportation, Oct. 18, 2013, on the deficit for State Fleet motor coaches and is waiting to hear back from them.

Report from subcommittee on tuition and fee policy updates  
In follow-up to the summer retreat, wherein campuses suggested that fee policies be updated in response to audit issues, Ms. Hegstad and Ms. Fetsch prepared revisions to SBHE Policy 805.3 and NDUS Procedure 805.3. In reviewing the revisions, Ms. Hegstad said that even with the implementation of the Pathways Plan there will still likely be the need for some policies to address course fees, such as study abroad, individual lessons, etc. Some of the noted concerns from council members are:
• Remove part of the first sentence under 2.c. of the policy or instead refer to extraordinary costs
• Consider using “may” instead of “shall not”—in other words, define what is permissible, as opposed to what is not permissible
• Define who will approve under 2.c.1 of the policy
• Should “equally” remain in 2.c.1 of the policy, is it practical?
• Should programs be listed in the policy in which there will be course fees?
• In Procedure, limits ability to charge a course fee for salaries, unless individual sessions are provided. It was noted that campuses blend the salary costs into fee rates for some activities, like Study Abroad, wherein faculty salary costs for those accompanying students is blended into the fee rate.

Mr. Foisy and Mr. Bollinger expressed concern about moving ahead with policy changes now, before we work through the implementation of Pathways, and the resulting impact on fees. Incremental change at this time will be confusing since things are in a state of flux, and it will be difficult to reach agreement on the appropriate changes, until we have a better sense of which fees will be blended with tuition and which will remain as stand-alone fees. It was the consensus of the Council to delay policy changes until we are further into the Pathways implementation detail.

Ms. Glatt asked about the proposed changes to the application fee. Ms. Hegstad and others suggested that Pathways implementation will not impact the application fee so this review should continue to move ahead. Ms. Glatt said she will follow-up with Ms. Hegstad and Ms. Fetsch after the meeting on the application fee and determine how to proceed.

In response to a question from Ms. Hegstad about which fees can remain separate under the Pathways Plan, Ms. Glatt said the NDUS office would review the information that campuses submitted last year to determine whether there are any concerns with what is being proposed, understanding it is subject to change.

**Carry Forward Policy Provision**
Mr. Gladen reviewed the updated Operating Carry Forward Reserves and Composite Financial Indicator report and pointed out that option #2 is the task force’s recommendation. Mr. Gladen will present the report to the Cabinet this week. President Bresciani will also make a presentation to the SBHE this week about their efforts in this area.
A question was asked about when CFI information will be reported the first time. Ms. Glatt said that CFI information will be included in the FY13 financial health report which is prepared and distributed in the Spring of each year, after the financial statements are considered final.

There was discussion about whether CFI should be reported for the campus alone and also combined with the component units. It was suggested that the President has no control or authority over the foundation and the foundation or other component units may actually have a negative effect on the CFI. It was pointed out that the foundations may hold significant debt that is on behalf of the institution and excluding the foundation may be perceived as misleading. It was agreed to remain consistent with the HLC methodology which includes the component units.

Several Council members expressed concern about laying the appropriate groundwork with the SBHE in advance of Pres. Bresciani’s presentation. It was suggested that Mr. Gladen provide the complete report to the SBHE in November. Ms. Glatt indicated that she had visited with the Chancellor about this earlier and he has placed only Pres. Bresciani on the agenda. Following continued discussion, Ms. Glatt said she would take it up with the Chancellor again, but encouraged others to contact him as well.

**Status of Pathways Plan**

**Dual Credit Implementation**

Ms. Glatt said at the last meeting there was agreement to move ahead with common dual credit rates in the Fall of 2014 – $65 for subsidized and $115 unsubsidized rate. Since that time, Ms. Glatt has been contacted by a couple of Presidents saying it was their understanding and preference that implementation would occur in Fall 2015. This was based on an earlier communication from then Pres. Skogen to Chancellor Shirvani which provided for a Fall 2015 implementation date. As a result of that communication, NDSCS had informed their partner schools that changes would not be made until Fall 2015. In addition, at WSC the new dual credit rates would mean that dual credit students would be paying a higher rate than on-campus students. Ms. Glatt said as a result of these concerns,
this week the Cabinet will be discussing whether to implement the changes in the Fall 2014 or Fall 2015.

Mr. Foisy asked when all of the other components of Pathways will be implemented, which is Fall 2015. Others said that the groundwork has been laid with area high schools on implementation Fall 2014. There was also discussion about phasing in new rates over a period of time. Some campuses suggested that it would be helpful to begin implementation of parts of Pathways in 2014, to ease the required administrative changes.

There was a question about fees assessed to dual credit students. Under Pathways non-mandatory fees will remain separate from tuition, so fees will vary by campus. This needs to be clear in the final dual credit guidelines.

There was discussion on the summary document on dual credit/early entry Oct. 24 conf. call related to how dual credit would be counted and reported-- materials were included in the agenda materials. After further discussion Ms. McDonald said she will revise the definition of “dual credit unsubsidized rate” to be consistent with the earlier document and resend to council members.

Ms. Hegstad said NDSU has some concern about changing the coding of these students because they consider these students as “early entry” and not “dual credit.” Ms. Eisenbraun said this is a topic on the NDACRO’s agenda for Wed., Nov. 20.

Residency Rates
Ms. McDonald reviewed the information she shared with council members. The initial estimates were based on total credit hours. She did receive requests to look at different scenarios, in which she provided the information two ways, including and excluding online.

Based on the information, there are two issues in which the council needs to reach consensus; (1) consider whether out-of-state rate and international categories should have a separate rate factor, with out-of-state at 1.5 and international at 1.75. All campuses appeared in support of the change, except LRSC would prefer to leave the international rate at 2.67. UND said they are still in discussions and will get back to the NDUS Office soon with their recommendation. And, (2) whether the contiguous state rate at UND and NDSU be changed from 1.5 to 1.25, the same as all other campuses, or Mr. Bollinger suggested it be changed to be consistent with the MN reciprocity rate, which will ultimately be 1.15, following the reciprocity agreement transition period. Ms. Glatt pointed out that under the reciprocity agreement that the State of MN makes a substantial payment to ND. Mr. Bollinger agreed and indicated that it would be prudent to set the contiguous rate higher than the reciprocity rate to make up for the difference of this payment. UND is still considering this change and will get back to the NDUS office when they have more information available.

Ms. Hegstad said there should also be discussion about the alumni undergraduate and dependent rates which is currently being charged at 1.25. She suggests that both rates be
charged the same rate. There was general consensus from council members that the rate for both categories should be the same.

**Tuition Waiver**
Ms. McDonald reviewed the undergraduate waivers – Pathways Plan document with the Council in an attempt to resolve outstanding issues about data, timing, etc.
Mr. Foisy asked if the graduate waivers should be folded into these scenarios instead of having two separate calculations. NDSU said it is important for their campus that we keep them separate because of graduate assistant waivers. Ms. Glatt pointed out the original Pathways Plan calls for a different model for graduate waivers.

Mr. Foisy and Mr. Lowe volunteered to assist Ms. McDonald in preparing recommendations about the questions outlined in the document.

Ms. Barber asked for clarification on the Pathways plan on what is the definition of “full-time student”, wherein the document reads: “minimizing impact to the average full-time student”. Ms. Glatt said she would consider it to be a resident full-time student or a student taking about 14-16 credits per semester. One goal should be to limit the impact to the greatest number of students.

**Fee waivers - CND and NDSA**
Ms. Glatt said there has been a request to waive the CND and NDSA system-wide fees, for a unique and limited student population. She reviewed the policy provisions with the Council.

Ms. Glatt said this will be a discussion item on the Chancellor Cabinet agenda this week. So if council members have any concerns they will want to visit with their presidents.

Ms. Hegstad raised some question on the intent of policy 805.1.4 – negotiated course or program fee, where an institution can agree upon a flat rate. She suggested that this should be reviewed.

Ms. Glatt reiterated again the importance of hitting Pathways implementation milestones. She asked for support to that end.

Mr. Bollinger asked that construction projects be a future agenda item.

Meeting adjourned around noon

**Future Meeting Dates:**
- January 7, 2014
- February 4, 2014
- March 4, 2014
- April 1, 2014
- May 6, 2014
- June 3, 2014
July 22-23, 2014 retreat
August 5, 2014
September 2, 2014
October 7, 2014
November 4, 2014
December 2, 2014

Respectfully submitted

Terry Meyer