

Special Budget BSUFA Meet and Confer
13 February 2007

Administration Members Present: Jon Quistgaard, President, Joanne Fredrickson, Provost for Academic Affairs, Bill Maki, Vice-President for Administrative Affairs, David Carlson, Interim Vice President for Student Affairs Bob Griggs, Interim Associate Vice President for Technology, Dean Nancy Erickson, Dean Ranae Womack, Dean Carol Neilson, Athletic Director Rick Goeb, and Sharon Rebers, Recorder.

IFO Members Present: Elizabeth Dunn, President, Chris Brown, Susan Hauser, Kathy Meyer, Deb Peterson, Derek Webb, Rod Witt, Tom Fauchauld, Chair, IFO Budget Committee, and Carol Milowski, Recorder.

The meeting came to order at 3:00 pm.

BSU President Jon Quistgaard spoke to the **“budget challenges”** facing BSU in the coming years. He referred to an earlier budget document that had listed five general principles to be used to develop future budgets and guide any cuts. He acknowledged the IFO’s request for the principles be weighted, but said they had “chosen not to weight” them at this time. He then addresses each principle:

The first budget principle is to **minimize the impact of cuts on students.** Quistgaard said BSU is “committed” to seeing that all students can finish their present program of study.

The second principle is to **minimize the impact on probationary and permanent faculty and staff.** Quistgaard said this will be done through retirements and held positions, but some positions may be filled if necessary.

The third principle is to **identify how services and programs can be made more efficient.**

The fourth principle is to understand how **budget decisions impact the internal and external commitments of BSU.** Quistgaard said the cuts do not in any sense reflect that BSU is moving away from being a comprehensive university or not fully committed to maintaining its academic and community reputation.

The fifth and final principle is to **increase student enrollment and strengthen programs.** Quistgaard said this would happen through new programs in growth areas and strengthening programs with healthy enrollments.

Quistgaard and Bill Maki, Vice President of Administrative Affairs, then spoke to the **specific budget assumptions used to develop the budget document under consideration this date:**

The first assumption is the potential for **“moderate enrollment growth.”** This is indicated in enrollment figures for Fall, 2008, but it is still quite early to determine this.

The second assumption is **a three percent inflation rate** taken from state documents.

The third assumption is **a 4 percent average tuition increase each year.** The MnSCU Board will ultimately determine this. Quistgaard said he was unsure if funding

would ever get back to the two-thirds state funding and one-third tuition, the prior funding formula.

The fourth assumption is a **4.5 percent annual increase for faculty/staff compensation including health insurance.**

Maki then addressed some specific **revenue enhancers** that will be put in place from 2008 to 2010. The first is **adjusting banded tuition**, such that only credits from 12 to 18 will be banded. This should raise one (1) million dollars.

The second is **to split summer school profits 50 – 50** between departments and the general fund, raising one-half million. Tom Fauchauld asked if Deans would still take their 7 percent also; Maki said he could not speak to that.

The third is **to implement differential tuition for upper division courses in some areas.** This could raise 200,00 to 300,000 dollars.

Maki said the over all budget reductions of

- \$450,00 in Academic Support,
- One (1) million from direct instructional support,
- One (1) million in institutional support,
- 550,000 in physical plant,
- 250,000 in student services, and
- 750,000 in athletics

remain in place.

Quistgaard said that **no retrenchment of probationary or permanent faculty is being considered at this time**, and **no layoffs of permanent non-teaching staff** are being considered. However, by 2010, faculty and staff positions across campus will have been reduced by thirty (30) through retirement, holding positions, and identifying target departments. Some needed positions will be filled; other positions will be moved into different areas as the university restructures.

Quistgaard also emphasized that BSU would be in “investment mode” during this time instituting and supporting new programs, as well as improving student retention, recruitment, and graduation rates. Quistgaard said the new Nursing Program is expected to bring 250 new students to campus.

David Carlson, Interim Vice President for Student Affairs, said the **\$250,000 cuts by 2010 for Student Services** will be accomplished by eliminating two positions through retirement, holding on position in the Recreation Center, and reconfiguring and consolidating a position in the Advising Center. (See Addendum I to the Print Edition)

Maki said the **\$1,000,000 cuts by 2010 in Institutional Support** will be accomplished by eliminating four (4) positions through retirement, four (4) other positions held prior to 2006 will also be eliminated, Security and Safety will be reorganized by reassigning a position from the Physical Plant and emphasizing emergency planning, two staff positions will be reassigned to CRI,

temporary reductions in non-personal and student help will be made permanent, and the purchase of the high school site will be made entirely with capital bonding funds, rather than operating funds. (See Addendum II to the Print Edition)

Maki said the **\$550,000 cuts in Physical Plant** will be accomplished by eliminating one held position and four other positions through retirement, reorganizing Security and Safety and moving one position out of the Physical Plant, and moving two positions to other funding sources. The function of the held position being eliminated will be replaced in part by moving to a card access system for all buildings. The bids for the system are out; it may cost up to a million dollars but will save money in the long run.

Joanne Fredrickson, Provost of Academic Affairs, said the **\$1, 000,000 cuts by 2010 from direct instructional costs** will be accomplished by reducing twelve (12) faculty positions through retirement or vacancy. The reductions by college are:

- COPS net reduction of 5.0 by 2010. COPS reduced 5.0 positions in Education in 2007; a 0.5 position was shifted from Design Tech to Engineering Tech. No further reductions are anticipated; future retirements will be evaluated at the college level to either be filled or reassigned.

- CAL net reduction of 1.5 by 2010. CAL reduced 2.0 positions in English in 2007 and 0.5 in Visual Arts. There is an anticipated 1.0 “bridge” position by 2010. No further reductions are anticipated; future retirements will be evaluated at the college level to either be filled or reassigned.

- CSNS net reduction of 1.5 by FY 2010. CSNS reduced 1.0 in Environmental Studies, 1.0 in Anthropology, reduced 1.0 in Math, reduced 1.0 in Geography, and reduced .50 in Economics, but will gain 1.0 in Psychology in Fall, 2007, 1.0 in Criminal Justice in Fall, 2007, and will gain 1.0 in Nursing by Fall, 2009. No further reductions are anticipated; future retirements will be evaluated at the college level to either be filled or reassigned. (See Addendum III to the Print Edition for a full discussion of the reductions)

Fredrickson emphasized that the current targeted retirements have kept BSU from having to retrench faculty, but she said it may also increase BSU’s ratio of non-instructional costs to instructional costs.

Fredrickson said the **\$450,000 cuts in academic support** will be accomplished by the following changes:

- The A. C. Clark Library will end one faculty line through retirement, eliminate one vacant library technician position, and combine one vacant library technology position with a position in Information Technology Services.

- Information Technology Services will eliminate one vacant position.

- The Center for Extended Learning will eliminate one vacant MSUAASF position and \$45,000 of the Associate Director’s salary will be assigned to CEL, a fee account.

- The Office of the Provost will reduce one MSUAASF position in Administrative support, and combine three (3) anticipated vacancies into one position by FY 2009 or FY 2010.

(See Addendum IV to the Print Edition for a full discussion)

Fredrickson also proposed the following **Curricular/Programatic Changes**:

- The Early Childhood Major will be part of the Elementary Education Major,
- Economics will move from a major to a minor,
- German will move from a major to a minor,
- Theatre will move from a major to a minor, and
- Anthropology as a stand-alone minor will be eliminated.

Fredrickson said the change in Theatre is recommended so the department can support a “strong production schedule.” The other

changes are based on data from the fact book that is available to the entire university.

(See Addendum V to the Print Edition)

Fredrickson then proposed the following **redefinition of academic departments to be effective with the 1 March 2007 posting of the seniority roster**:

- The Economics Department would be combined with the Business Administration Department,
- The Theatre Department would be combined with the Mass Communication Department,
- The Philosophy Department would be combined with the History/Art History Department, and
- The Indian Studies Program would be combined with the Modern Languages Department.

Additionally, no seniority lines will be affected by the departmental redefinitions, and the proposal “stands with or without the proposed curricular changes to Economics and Theatre.

Finally, Fredrickson said the Administration proposes to enter into a discussion regarding the **possible reorganization of the overall college structure**. This will mean continuing the interim Dean’s position in COPS through FY 2008. (See Addendum VI to the Print Edition)

President Quistgaard was asked about the purchase of the high school property in light of the budget reductions. Quistgaard said he sees the purchase as an “opportunity we will only have one time.” It is an “opportunity for space without taking neighborhoods as we have done in the past.”

Maki said the budget proposal changes the way in which we pay for the property. BSU will not use operating funds, but will seek funding from the legislature. In the meantime, the Foundation will acquire the property.

Quistgaard introduced the **\$750,000 cuts to be made in Athletics** by saying that **Division I Hockey** is “unusual for a school our size” and that BSU’s present conference is “very shakey” as two schools have left. At this point, it appears BSU’s best option is to join the WCHA. However, to do this successfully BSU needs to raise \$2.5 million dollars. Thus,

Quistgaard said to maintain Division I Hockey BSU will have to raise the \$2.5 million and gain entry into the WCHA by May, 2008. If both conditions can't be met, BSU "will not go forward" with Division I Hockey.

Maki said if there is no Division I Hockey this will be a "major" part of the \$750,000 cut in athletics. In addition, Maki said BSU will move to self-insurance to save money, will make supply cuts of \$25,000 permanent, will raise the Athletic fee for students earning \$40,000/yr, will charge students \$5/ticket for Men's Hockey earning \$25,000/per game, and will increase ticket prices for all sports by \$2.00/ticket earning an additional \$40,000.00.

There was general discussion of Athletics, and the fact that all cuts in the area had in effect been postponed.

The BSUFA Executive took the Budget proposals under advisement.

There being no further business, the meeting adjourned at 5:40 pm.