Present: Doug Biggs, Mark Ellis, Kathryn Zuckweiler, Scott Fredrickson (via phone), Gloria Vavricka, Steve McGahan

Absent: Patricia Cruzeiro, Ralph Hanson, Mary Daake, Sheryl Heidenreich

Guests: Vice-Chancellor Barbara Johnson, Wyatt Hoback

Chairman Biggs welcomed the group and introduced our two guests to the meeting, Vice-Chancellor of Business & Finance Barbara Johnson and Dr. Wyatt Hoback from Biology. VC Johnson was asked to discuss the budget model that is being developed for the distance education tuition variance (once referred to as tuition differential) that will take effect July 1, 2010.

The proposed budget model formula for distance education tuition variance is recommended as follows:

- June 2010 tuition generated (actuals)
- +enrollment growth factor (15%)
- +tuition increase (??%)
- -remissions at 10% (on-campus is 20%)
- -uncollectibles
- -OWW assessment (6.7%)
- =2010-11 Budget

Other discussion included:

- Budget planning for the new academic year should begin after June 30. Budgets are set by August 1. The amount of detail needed when planning your budget does not have to be real specific, just generalize into categories of salary, operating, travel and capital.

- VCBF Johnson recommended that program coordinators be in touch with Kenya concerning program growth.

- Kenya will retain a small amount of the tuition variance in a state account for emergency situations.

- Effective July 1, 2010, any money not spent in an existing distance education departmental revolving cost center will remain in that account until the money is spent down. The lab fees for the Biology program will stay in the existing revolving cost center and are not affected by this new budget model.

- Any new money from distributed tuition variance after July 1 will go into a newly created state cost center based on student receipts.

- VCBF Johnson informed the committee that money not spent in an academic year can be carried forward like the revolving account, but you will have to ask for it…..it will not be automatic.
• If there is a large amount of money left over in someone’s state distance education cost center, you will need to justify why there is an excess.

• Be as accurate as possible when projecting your next year’s budget. If you underproject your budget and generate more money than you anticipated, then 50% will be returned to Central Administration. If you overproject your budget and do not generate as much, you will receive less funds for the next year.

• President Milliken’s intent is that any revenue generated by online courses goes back to the campuses.

Next meeting is Monday, April 12, 1:45 p.m. in CMCT Room 218. The committee will meet with Kenya Taylor, Larry Riessland, and Jean Mattson to discuss the process in projecting the budget for the new cost centers.

Respectfully submitted,
Julie Saalfeld