



## Thief River Falls Community Advisory Committee Meeting

Special Meeting Re: Cosmetology Program Suspension

February 16, 2010

Room 545; 5 pm.

### MINUTES

Committee Members Present: Maryel Anderson, Barb Kalinoski, Rev. Phil Schmidt, Mark Johnson, David Beito, Mike Moore, Bill Stock, Aliza Olson, Skip Swanson, Rick Trontvet

NCTC Staff: Anne Temte, Kent Hanson, Norma Konschak, Jim Retka, Cindy Cedergren.

Committee Members Absent: Rob Lovejoy, Wally Sparby, Laurie Panek, Ron Ray, Sen. LeRoy Stumpf, Steve Lillestol, Rep. Dave Olin, Rocky Ammerman, Jarrod Kalsnes, Caryl Turnow, Jennifer Field, Ben Anderson, Laine Larson, Jodi Torkelson, Murray Turner

Guest: Dave Hill, The Times editor

Topic	Responsible Party	Discussion/Outcome
1. Purpose of Meeting	Temte	Anne Temte thanked all the members for attending this special meeting on short notice. She stated the purpose of the meeting was to discuss the recent controversy and negative publicity regarding the proposed suspension of the Cosmetology Program at the TRF Campus. She stated there are many misconceptions and non-factual statements being made and felt it was important for this Committee to have the facts surrounding this decision, and to dispel the myths being heard in the community.
2. Report from the Office of the Chancellor	Laura King, Vice Chancellor of Finance	Anne Temte introduced Laura King, who participated from the Office of the Chancellor via live video. Vice Chancellor King stated that the Chancellor's office relies on the college presidents to be involved in their own communities. The presidents must close the year with a balanced budget. She stated these are very trying times financially. Enrollments are up by 20% statewide, while the state's support is declining by 10%. Vice Chancellor King made a presentation called "State of Minnesota Economic Outlook: Implications for the Minnesota State Colleges and Universities", which

included the impact of the state's financial situation on Northland College. She explained the presentation thoroughly and addressed questions from the committee throughout the presentation. (Powerpoint presentation is attached to these minutes)

Other points noted that may not have been included in the presentation:

-Funding from the state per full-year equivalent (FYE) student has declined by 36% over the last decade. Each year the system is receiving fewer dollars per student.

-The tuition generated per FYE student at Northland is approximately \$4500. The current tuition rate at Northland is well above the border state colleges.

-Northland's current fund balance (reserves) is below the standard for MnSCU colleges. Dr. King stated that the Board of Trustees recommends all colleges preserve their reserves.

-Northland's debt loads are average.

-The Facilities Condition Index (FCI) indicates some challenges based on building size /square footage and academic needs. The space utilization rate is 61%. This rate is utilized in determining the need for future bonding projects, and the college is expected to spend approximately \$1/per square foot (approx. \$300,000 for Northland) on maintenance of the facility.

-Vice Chancellor King stated that Northland's overall performance, compared to all MnSCU colleges, is pretty stable.

-The Office of the Chancellor expects the college to have an academic program review process in place. Northland has a Program Sustainability process in place, implemented in 2007.

-The Office of the Chancellor does not know what the state allocation will be in the next biennium (2012-2013), nor do they know how much the Board of Trustees will allow colleges to increase tuition rates. (It is predicted they will not allow more than a 5% increase). Northland chose not to raise tuition rates for 2009-10, in an effort to slow down the continual increases that had been occurring over the past several

		<p>years, and to better its standing in tuition rate among MnSCU colleges (we moved from second from the highest, to sixth from the highest.)</p> <p>Vice Chancellor King noted that colleges have to plan for a structural balance in 2012-13. Federal stimulus funds will be gone in 2012. She stated that the Governor is recommending a \$60.5 million reduction in MnSCU funding for FY2011, which equates to a decrease for Northland of \$1.2-\$1.8 million. In FY12-13, Northland can expect to see an additional \$2.5-\$7.5 million cut. (from an average \$25 million budget).</p> <p>Vice Chancellor King stated the college must implement planning strategies for revenue growth, enrollment growth, strategic academic program management and make productivity/efficiency improvements, in order to maintain its integrity and financial stability during these lean times. She stated that in 2004, the MnSCU system has experienced a \$300 million decrease in funding from the state. We are currently below 50% state support per student.</p> <p>Phil Schmidt asked for an explanation related to decreased funding in spite of higher enrollment. Vice Chancellor King explained that while Northland is experiencing record enrollments this year, most of the other MnSCU colleges are seeing double-digit enrollment percentages. This may lead Northland to have a smaller proportion of the total MnSCU enrollment. Vice Chancellor King stated that MnSCU pays more for high-cost (lower enrollment) technical programs than for low-cost high-enrollment programs, such as liberal arts lecture courses.</p> <p>Vice Chancellor King ended her participation in the meeting at 5:35 p.m. and turned the meeting over to Anne Temte.</p>
3. Good News	Temte	<p>Anne Temte stated that the college has been experiencing some real highs and lows the past couple of weeks. She announced that the college had been just notified this week of a \$4.99 million grant from the Dept. of Labor for the development of the Unmanned Aerial Systems Technician program. She stated that this is a tremendous boost to the aviation program, the college, and the regional partners (UND, Grand Forks Air Force Base, regional economic development organizations and UAS manufacturers) who are involved in the development of the first UAS maintenance program in the nation.</p>
4. Cosmetology Program		<p>Anne Temte distributed a document (attached) which explained in detail the factors</p>

contributing to the suspension of the Cosmetology program, including the statewide economic conditions, the impact on Northland, Northland's approach to budget reduction decisions, data specifically related to the Cosmetology program, and a response to the rumors/myths that have been heard in the community. She also provided a copy of the Nov. 10<sup>th</sup> Community Advisory Committee minutes. (attached)

Anne stated that the recent negative publicity about the Cosmetology program suspension has been difficult and challenging. Anne reminded the committee that she had shared the decision of the suspension with this committee at the November 10<sup>th</sup> meeting. The controversy surrounding the program suspension didn't begin until early Feb. She explained why the decision had to be made as early as November 1<sup>st</sup> to comply with the faculty contract as it relates to laying off tenured faculty, for the following academic year. Per the faculty contract, the college must pay for full benefits to faculty on lay-off status for one year following lay-off (July 2010 through June 2011)

Anne Temte and Kent Hanson stated that the college had made deep cuts in the college budget to prepare for the unallotments and overall decrease in state funding in FY10. Administration worked hard to improve efficiencies in the class schedules, by increasing maximum class sizes, decreasing numbers of sections when possible, and decreased credits paid to faculty for non-instructional (non-tuition generating) assignments. The administration's goal is to reach a 17-to-1 ratio of student-to-faculty in FY11. We are currently at a ratio 16.4 to 1.

A lengthy discussion centered around the data specifically related to the Cosmetology program. Anne Temte stated that interest in restructuring the program has come out of the Cosmetology Advisory committee. College administration has agreed to meet with local salon owners and the Cosmetology Advisory Committee to discuss employment projections, ideas on how to boost enrollment in the program, potential scholarships for students, and providing jobs that have the potential of enabling students to pay back student loans. The results of those discussions will help determine whether it is feasible to reinstate the program at a later time.

Administration stated that we cannot continue to keep all programs in place if they are not bringing in sufficient revenue to cover the program's costs.

Dave Beito recommended the college establish the costs and set limits of what is

needed to run the program without a loss.

It was noted that the Cosmetology program has not had a very active Program Advisory Committee. There are a small number of businesses represented on the committee, and their participation has been minimal. The members claim to have had no knowledge of the proposed suspension.

Norma Korschak explained how the program sustainability process is conducted over a period of time. Many factors are considered in this process, which include the employment needs of the community, the program costs vs. tuition generated, enrollment averages, retention, completion, and placement data.

Rick Trontvet asked if the college would consider hosting some public meetings to talk about the “state of the college” on an annual basis, maybe during the summer, to inform the community of the college’s plans and challenges.

Mike Moore reported he had 6-8 salon owners visit with him in his office recently. Dave Hill reported a faculty member called him to report that there were plans to move all the Liberal Arts program to the EGF Campus.

Maryel Anderson stated that perhaps a sense of urgency was not seen in November because the community is familiar with the history of lay-offs, whereby faculty are laid off, and oftentimes reinstated at a later time.

Aliza Olson stated that she hears comments in the Roseau community that the TRF campus is losing programs, and concerns about how many more they may lose.

Anne Temte and Kent Hanson stated there is no intent or plans to cut TRF programs just to move them to EGF. There’s a lot of misinformation being spread around the area. Kent reported on the Construction Electricity Program that had been replicated at the TRF campus, as well as two EGF programs that were closed (Medical Assisting and Clinical Lab Tech); Radio Broadcasting at TRF was closed, restructured and has been changed to a New Media program, and will start again fall semester 2010.

Mark Johnson commented on how students learn about what we offer. The term “cosmetologist” is outdated; the new Marketing Director needs to work with faculty and

		<p>revamp how to market their programs more effectively.</p> <p>Barb Kalinoski commented that, even though the college is a state agency, it is still considered a “community” organization, unlike a state university would be in another city. The school district, county, and city all have elected board members to which the community may contact to communicate their concerns, but the same communication piece doesn’t exist for the college. The community needs to know about the Community Advisory Committee.</p> <p>We may need to establish a process of visibility; update the community; build trust; strengthen the program advisory committees; maybe participate in more “Open Line” conversations with advisory members.</p> <p>Everyone agreed that it is important to interact with the communities and it’s hard to predict the emotional attachments of college programs in the communities. Kent reported that the EGF community did not react at all to the loss of two programs at the EGF campus last year.</p> <p>Anne Temte asked how members would feel about having their names published and if they are willing to be contacted by a community member for questions or comments about the college.</p> <p>Bill Stock stated he felt bad that the college has to defend TRF vs. EGF. He acknowledged that the college must at times cut programs when it’s no longer feasible to continue offering them. The population base in EGF is much higher than TRF – and oftentimes, that’s where students want to go. Bill stated “we’re in this together” and the college is doing a magnificent job.</p> <p>Anne Temte stated that approximately 70% of the college’s budget is personnel; all faculty and support staff are employed under statewide bargaining agreements of which the college does not have local control in setting salaries, benefits, etc.</p> <p>Anne stated that Northland is stronger as a regional college, rather than stand-alone campuses in TRF or EGF. We need to look at ourselves as “regions” instead of cities of EGF and TRF. We can create so much opportunity in the high-tech sector.</p>
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Meeting Adjourned @ 6:45 pm		
Next Meeting		Tentative: April, 2010.