

**MINNESOTA STATE COLLEGES AND UNIVERSITIES  
BOARD OF TRUSTEES**

**Agenda Item Summary Sheet**

**Committees:** Finance and Facilities

**Date of Meeting:** October 18, 2011

**Agenda Item:** Tuition waiver request - Northland Community & Technical College

- Proposed Policy Change       Approvals Required by Policy       Other Approvals       Monitoring
- Information

**Cite policy requirement, or explain why item is on the Board agenda:**

Board policy 5.12, *Tuition and Fee Due Dates, Refunds, Withdrawals and Waivers*, states that a college or university president “may waive amounts due to the college or university for individual institutional waivers as approved by the Board.”

Northland Community and Technical College (NCTC) is requesting Board approval for a tuition waiver for courses in the Unmanned Aerial Systems program.

**Scheduled Presenter(s):** Deborah Bednarz, Director of Financial Planning and Analysis  
Ann Tempte, President, Northland Community and Technical College

**Outline of Key Points/Policy Issues:**

NCTC requests a waiver of tuition for fall and spring semesters of academic year 2012, fall semester of academic year 2013, and a portion of spring semester 2013. For spring semester 2013, the college would charge prorated tuition.

**Background:**

Development of the Unmanned Aerial Systems program has been partially funded by a grant from the Department of Labor. NCTC’s Federal Project Officer has issued a final determination that courses funded by the Department of Labor grant may not generate tuition, resulting in the need for the college to request permission to establish a temporary tuition waiver for students enrolled in grant funded courses.

**BOARD OF TRUSTEES  
MINNESOTA STATE COLLEGES AND UNIVERSITIES**

**ACTION ITEM**

**TUITION WAIVER REQUEST - NORTHLAND COMMUNITY &  
TECHNICAL COLLEGE**

**INTRODUCTION**

Board Policy 5.12, *Tuition and Fee Due Dates, Refunds, Withdrawals and Waivers* provides that a college or university president “may waive amounts due to the college or university for individual institutional waivers as approved by the Board.” Under this policy, Northland Community and Technical College (NCTC) requests permission to waive tuition for courses in the Unmanned Aerial Systems (UAS) program that have a prefix of UAST.

**BACKGROUND**

Northland Community and Technical College, as part of their on-going partnership with the aviation industry, developed a one-of-a-kind Unmanned Aerial Systems program in response to industry demands. The program is a 30 credit certificate program, and of those 30 credits, 22 are UAST credits and 8 are computer classes (CPTR).

As part of this program development, the college applied for and was granted \$5.3 million from the Department of Labor under the American Recovery and Reinvestment Act. Many aspects of the relationship between college and student are governed by specific provisions of the grant and its related documents. One such relationship is the charging of tuition.

Under the specific provisions of this grant, there are some allowable types of program income. Initially, NCTC believed that tuition would qualify as allowable program income. However, NCTC’s Federal Project Officer (FPO) has issued a final determination that courses funded by this Department of Labor grant may not generate tuition—only the tuition from non-UAST credits may qualify as program income. Conversely, fees other than tuition are allowable as program income.

Semesters impacted by this ruling include the current academic semester (Fall 2011), plus Spring 2012, Fall 2012 and a portion of Spring 2013. For spring semester 2013, the college is allowed to charge prorated tuition due to the fact that the grant period ends on February 28, 2013. No courses are currently scheduled to be offered during Summer, 2012.

As illustrated in Table 1 on the following page, the projected value of waiving the tuition is approximately \$500,000 over the waiver period.

*Tuition Waiver Request  
Northland Community and Technical College*

**Table 1**

Academic year 2012:	288 credits x \$300.00	\$ 86,400
Academic year 2013:	750 credits x \$300.00	\$225,000
	700 credits x \$300 x .67 (proration)	<u>\$140,700</u>

**TOTAL** **\$452,100**

The impact of the requested waiver and loss of tuition revenue has been incorporated into the college's finance plan for the program.

**CONCLUSION**

NCTC requests a waiver of tuition for students enrolled in UAST courses during fall and spring semesters of academic year 2012, fall semester of academic year 2013, and a portion of spring semester 2013.

**RECOMMENDED COMMITTEE ACTION:**

The Finance and Facilities Committee recommends that the Board of Trustees adopt the following motion.

The Board of Trustees approves a tuition waiver for courses in Northland Community and Technical College's Unmanned Aerial Systems (UAS) program that have a prefix of UAST. This waiver is approved for fall and spring semesters of academic year 2012, fall semester of academic year 2013, and a prorated portion of spring semester 2013.

**RECOMMENDED BOARD OF TRUSTEES MOTION:**

The Board of Trustees approves a tuition waiver for courses in Northland Community and Technical College's Unmanned Aerial Systems (UAS) program that have a prefix of UAST. This waiver is approved for fall and spring semesters of academic year 2012, fall semester of academic year 2013, and a prorated portion of spring semester 2013.

*Presented to the Board: October 18, 2011*