



Minnesota Technical College System

State Board of Technical Colleges

Capitol Square Building 550 Cedar Street St. Paul, MN 55101

Campus Locations

ALBERT LEA
ALEXANDRIA
ANOKA
AUSTIN
BEMIDJI
BRAINERD
BROOKLYN PARK
CANBY
DETROIT LAKES
DULUTH
EAST GRAND FORKS
EDEN PRAIRIE
EVELETH
FARIBAULT
GRANITE FALLS
HIBBING
HUTCHINSON
JACKSON
MANKATO
MINNEAPOLIS
MOORHEAD
PINE CITY
PIPESTONE
RED WING
ROCHESTER
ROSEMOUNT
ST. CLOUD
ST. PAUL
STAPLES
THIEF RIVER FALLS
WADENA
WHITE BEAR LAKE
WILLMAR
WINONA

TO: 1993 MVAIA Conference

FROM: John Murray
Management Programs Manager

DATE: July 6, 1993

PHONE: (612) 297-3792

SUBJECT: Overview of Farm Business Management Programs in Minnesota

POSITION

The position of the State Board of Technical Colleges (SBTC) is to recognize and support Minnesota's agricultural industry by providing educational training in all phases of agriculture and in all parts of the State so that Minnesota farmers and agribusinesses can obtain the knowledge and the skills necessary to succeed. Agriculture in the 1990's and into the future will experience the most dramatic technological revolution that has hit an industry. To be successful, they must be able to manage financial and physical resources effectively and efficiently to ensure maximum returns. Education in these areas will be necessary to increase the chances of being a successful farm or agribusiness.

The SBTC has provided training opportunities for 8,500 farmers and agribusinesses annually through five general types of programs. Educational training is provided through the 34 Technical College Campuses and through 240 Independent School Districts. The six types of agricultural support programs are:

CURRENT PROGRAMS

1. **96 Farm Business Management Program sites with 124 staff** - Assist farm families achieve their business goals through improved management, organization and efficiency of their business. 6000 + farm operators are presently enrolled.
2. **5 Lamb and Wool. Management Programs with 7 staff** - Assist sheep producers achieve their business goals through improved management, organization and efficiency of their business and provide technical assistance.
3. **1 Specialty Crops Management Program with 3 staff** - Assist specialty crop growers in establishing business and provide necessary technical assistance.
4. **22 TC/Agribusiness Programs for Full-time Students** - 26 Programs in 15 technical college campuses educate the individual in the skills and knowledge necessary for employment to perform as a technician in the agribusiness industry or assume the management responsibility of a farm owner/operation.

5. **28 Beginning Farmer Programs** - To assist beginning farmers in becoming established in farming.
6. **Part-time Enterprise Agriculture Programs Available Through All Minnesota TCs** - Part-time agribusiness programs upgrade the individual's skills to perform in a changing technology or move to a new occupation.

**Minnesota Farm
Business Management
Education Programs**

Program Information - Farm Business Management

Definitions

FTE -- Full-time Teacher Equivalent

1 FTE = 175 Day Contract

Example 220 Day Contract

$$\frac{220}{175} = 1.26 \text{ FTE}$$

FYE -- Fiscal Year Enrollment - 1 FYE equal 45 credits

-- Each full-time farm business management enrollee equals 15 credits/or .33
FYE

FYE/FTE Ratio

Example: 45 Full-time (15 credits each) = 15.00 FYE's (45 x .33 = 15.00)

$$\frac{\text{FYE } 15.00}{\text{FTE } 1.26} = 11.9:1 \text{ FYE/FTE Ratio}$$

Calculating Instructional FTE

For those instructors who have inservice days provided in their contract, it is permissible to deduct those inservice days, up to a maximum of 5 days before calculating the instructor FTE. Also, deduct paid holidays and vacation days if included in the master contract.

Example:

- Contract 220 days
- Master contract specifies 7 inservice days and 3 paid holidays
- Calculation:
220 - 8 (inservice and holidays) = 212

$$\frac{212}{175} = 1.21 \text{ FTE}$$

Program Information

A. Minimum FYE/FTE Ratio

1. The minimum FYE/FTE ratio for management programs is monitored and enforced by the technical colleges and local school districts that are approved for a farm business management program.
2. **Established Program** (four or more years)
Minimum ratio will be 11:1
3. **New Programs**
1st year ratio will be 3.9:1
2nd year ratio will be 7.8:1
At the end of the third year the 11:1 ratio is in effect
4. **Staff Replacement**
Programs with staff change expected to maintain a FYE/FTE ratio same as an established program.

B. An annual analysis will be completed for a minimum of 80% of those eligible.

Established policy states that a minimum of 80% of eligible enrollees in a Farm Business Management Education Program shall receive an annual analysis of the farm business.

Programs not meeting the 80% level may have their funding for the subsequent fiscal year reduced as follows:

<u>% analysis completed</u>	<u>% funding reduction</u>
60-79%	10%
40-59%	20%
0-19%	30%
	40%

The analysis completion percentage will be determined based on the analysis completed by June 15, 1993.

As in previous years, programs not meeting the 80% requirement will be notified by the Minnesota State Board of Technical Colleges and may request a variance of the policy if extenuating circumstances exist. If the variance is granted, funding will not be affected. If it is denied, funding for FY '94 will be reduced according to the above table.

C. Management Programs

This section covers the budget submitted for the following management programs:

01.0020	Farm Business Management (FBM)
01.0021	Specialty Crops Management (SCM)
01.0108	Sheep/Lamb/Wool Production (SLW)
04.3200	Small Business Management (SBM)
04.0000	Computerizing Small Business (CSB)

1. Technical College Management Programs

Beginning with the FY '94 budget, the management programs will be blended into the instructional allocation formula.

- a. Licensed Staff: Using three years' data (FY '90, '91, '92), an average system ratio will be calculated for each MINCIP. The FY '92 FYE will be divided by this average ratio to determine the number of licensed funded instructional units (FIU). For Farm Business Management programs, the data from all programs, both campus-based and school district FBM, will be used to calculate the average ratio.
- b. Non-Licensed Staff: As in funding for other programs, non-licensed staff will be funded at a ratio of 9 to one; for every nine licensed FIU, there will be one non-licensed FIU.
- c. Compensation Rates: For campus-based management programs, the compensation rate will be the college average salary/fringe per FTE adjusted towards the system average per FTE. The adjustment will be 25% of the difference between the college average and the system average. The compensation rate for licensed staff will be multiplied by the number of licensed FIUs, and the compensation rate for non-licensed staff will be multiplied by the number of non-licensed FIU to determine the allocation for staff.
- d. Other instructional costs, which include travel, contracted services, and miscellaneous expenses will be funded at the college's banded rate per FIU.
- e. Supplies will also be funded using the college's banded supply rate per FYE. To preserve predictability for FY '94, these rates will not be recalculated using management program data.
- f. Equipment - Allocation will be based on the FY '92 actual expenditures, plus inflation.

2. School District FBM Management Programs

Beginning with FY '94, the school district farm business management programs will be funded using a similar methodology as campus-based programs.

- a. Licensed Staff: Using three years' data (FY '90, '91, '92), an average system ratio will be calculated for each MINCIP. The FY '92 FYE will be divided by this average ratio to determine the number of licensed funded instructional units (FIU). The data from all farm business programs, both campus-based and school district FBM, will be used to calculate the average ratio.
- b. Non-Licensed Staff: As in funding for other programs, non-licensed staff will be funded at a ratio of 9 to one; for every nine licensed FIU, there will be one non-licensed FIU.
- c. Compensation Rates: For school district FBM programs, the compensation rate will be the program average salary/fringe per FTE. The compensation rate for licensed staff will be multiplied by the number of licensed FIUs, and the compensation rate for non-licensed staff will be multiplied by the number of non-licensed FIU to determine the allocation for staff.
- d. Other instructional costs, which include travel, contracted services, and miscellaneous expenses will be funded within a 10% band of systemwide costs, per FTE, for all farm business management programs (both campus-based and school district programs). The banded rate will be multiplied by the number of FIU to determine allocation for other costs.
- e. Supplies will be funded within a 10% band of systemwide supply costs, per FYE, for all farm business management programs. The banded rate will be multiplied by the FY '92 FYE to calculate the supply allocation.
- f. Equipment - Requests can be made using Back-Up Form IIIA.

3. Tuition

For FY '94, the FYE to be used for the tuition deduction will be calculated for management program in this manner:

$$\frac{(\text{FY '91 FYE}) + (2 * \text{FY '92 FYE})}{3}$$

The result will be adjusted in the following cases:

1. Program elimination
2. New programs in FY '92, FY '93, FY '94
3. State approved new sections and program expansions in FY '93 and FY '94

Tuition will be adjusted for the subsidy provided by the legislature. If you have any questions about the adjustment, call Diane Paulson, (612) 296-0666.

5. TRA/FICA

Management programs started after FY '86 and management programs in vocational centers receive funding for TRA/FICA through their allocation from SBTC. If a partial FTE was added to a school district program after FY '86, the funding will reflect TRA/FICA for only the new FTE. The percent of SBTC's share of funding will be noted on the allocation sheets.

Attachments

ATTACHMENT A: Memo explaining State Board action for minimum FYE-FTE Ratios for management programs.

ATTACHMENT B: Tuition Rate Schedule for FY '94

ATTACHMENT C: FBM Credit/Student Load Requirements

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TO: Technical College Presidents
Technical College Management Program Staff
Superintendents of School Districts with
Farm Business Management Programs
Regional Ag Program Managers
Custom Services Administrators

FROM: John Murray, Management Programs Manager

DATE: February 28, 1992

SUBJECT: State Board action regarding minimum FYE/FTE
ratios for management programs
Farm Business Management
Small Business Management
Computerizing Small Business
Lamb and Wool Management
Specialty Crops Management

Attached is a memo of action approved by the State Board of Technical Colleges at their February 11, 1992 meeting.

It was the Board's decision to move the responsibility for the FYE/FTE ratio from the Chancellor's office to the technical college/or local school district office.

It was felt that the new student based allocation formula for the management programs will insure appropriate and consistent enrollment levels across the system.

We will continue to monitor and report the FYE/FTE ratios to the college presidents, superintendents and regional ag program managers for local management purposes.

We feel that the previously established minimum FYE/FTE ratios continue to have merit and may be used as a guideline.

For all farm business management programs, the minimum farm business analysis requirement remains in effect. Programs failing to meet this requirement will be reviewed annually by the agency staff.

Enclosure

cc: Chancellor Johnson
Deena Allen
Steve Frantz
Bill Weiser

MEMRMP.JM



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TO: Technical College Presidents

FROM: Diane Paulson, Associate Vice Chancellor *DP*
Budget and Fiscal Services

DATE: May 18, 1993

PHONE: 612/296-0666

SUBJECT: FY94 Tuition

The following tuition rates were approved by the State Board for the 1993-94 fiscal year.

<u>Credit</u>	<u>Resident</u>	<u>Non-Resident</u>
Academic Year (45 credits)	\$1,681	\$3,362
Per Credit	37.35	74.70
Per Credit, North Dakota	46.65	
Tuition Subsidy, Management Programs	\$135 per fulltime enrollee	
Tuition Subsidy, Firefighter	\$.50 per hour	

The Board also approved that non-resident/non-reciprocity students classified as refugees or as hearing impaired students served through the St. Paul regional center pay tuition at the resident rate.

These rates reflect a 3.89% increase in tuition.

DP:kd

09/21/92

FBM Credit and Student Load Requirements *

Student Contact Days	FTE	REGULAR PROGRAMS RATIO: 11.24		SPARSITY PROGRAMS RATIO: 9.94	
		<u>CREDITS</u>	<u>STUDENTS</u>	<u>CREDITS</u>	<u>STUDENTS</u>
240	1.37	694	46	613	41
235	1.34	679	45	601	40
230	1.31	665	44	588	39
225	1.29	650	43	575	38
220	1.26	636	42	562	37
215	1.23	621	41	550	37
210	1.20	607	40	537	36
205	1.17	593	40	524	35
200	1.14	578	39	511	34
195	1.11	564	38	498	33
190	1.09	549	37	486	32
185	1.06	535	36	473	32
180	1.03	520	35	460	31
175	1.00	506	34	447	30
170	0.97	491	33	435	29
165	0.94	477	32	422	28
160	0.91	462	31	409	27
155	0.89	448	30	396	26
150	0.86	434	29	383	26
145	0.83	419	28	371	25
140	0.80	405	27	358	24
135	0.77	390	26	345	23
130	0.74	376	25	332	22
125	0.71	361	24	320	21
120	0.69	347	23	307	20
115	0.66	332	22	294	20
110	0.63	318	21	281	19
105	0.60	303	20	268	18
100	0.57	289	19	256	17

* Based on current state ratios, and 15 credits per full time FBM student.