Minutes

Senate Committee on Finance and Planning
Tuesday, April 17, 2007
2:30 – 4:15
238A Morrill Hall

Present:

Judith Martin (chair), Jesse Andrist, Rose Blixt, Rachel Curtiss, Daniel Feeney, Thomas Klein, Joseph Konstan, Mikael Moseley, Kathleen O'Brien, Justin Revenaugh, Terry Roe, Michael Rollefson, Nicholas Treat, Michael Volna, Warren Warwick, Aks Zaheer

Absent:

Steve Fitzgerald, Darwin Hendel, Lincoln Kallsen, Michael Korth, Kathryn Olson, Richard Pfutzenreuter, Karen Seashore, Thomas Stinson, George Wilcox, John Ziegenhagen

Guests:

Dean Gail Dubrow, Associate Dean George Green; Associate Vice President Laurie Scheich (Auxiliary Services), Mr. Bob Baker (Parking and Transportation Services)

[In these minutes: (1) financing graduate education; (2) Enterprise Financial System; (3) parking rates and plans, Twin Cities campus]

1. Financing Graduate Education

Professor Martin convened the meeting at 2:35 and welcomed Dean Dubrow and Associate Dean Green to discuss the financing of graduate education.

Dean Dubrow had prepared remarks, as follows. (The text that follows is an extended quotation.)

Thank you for the invitation to discuss what Judith Martin has termed "one of the most confounding issues on the list for Finance and Planning,", namely: the funding of graduate education. Every year the Council of Graduate Schools polls graduate school deans on what they consider to be the most significant issues confronting them. Year after year, graduate deans report that the funding of graduate education, hands down, is the most vexing among the many challenges they face within graduate education.

My intention today is to (1) outline the dimensions of the problem of financing graduate education; (2) locate it in national and international context, as well as here at the University of Minnesota. Then I will (3) share what the Provost, the Graduate School, and academic departments are doing to address ongoing needs to address the funding issue, and (4) share with you the strategy I have developed for understanding the extent of the remaining need for further financial investment in graduate education, an approach I believe will lead us to understand the nuances of the finance problem across the more than 140 units that educate graduate students at University of Minnesota.

Let me say from the start this is intended as an overview of the issue of financing graduate education at a very high level. Should you have more detailed questions—you can send them to me after this meeting and we will respond.

Just before I came to UM in August of 2005, I received a copy of the 2004 report prepared by the Financing Graduate

Education Task Force, which I believe was headed by [Vice President Charles] Muscoplat. That report, which analyzed the eroding value of grad school funding in the face of inflation, among other things, argued the need for significant new central investments to support graduate student fellowships and graduate programs with block grants. The report recommends: $5 million annually in the biennial request for graduate fellowships, conditioned on matching private donations; undertaking a major fundraising campaign centrally and in collegiate units for graduate fellowships to match the anticipated legislative appropriation; using the compact process to support graduate education; a move to "right size" enrollment in graduate programs; efforts to improve time-to-degree and completion rates within graduate education (to reduce the need for unnecessarily long or wasted years of support; merger and closure of lower-quality programs and other more minor suggestions.

Indeed, in the nearly two years I have been here, UM leadership has made good on its promise to reinvest in graduate education.
Block grant and fellowship funding has increased by a total of $5 million dollars in the last biennium, split 60-40 between the two programs.
To understand where this money would best be invested, we looked closely at the reasons top applicants reported for declining an offer of admission to the Graduate School. While the match between student and faculty interests has always been a significant issue in applicants decisions to accept or decline our admissions offer, in recent years applicants increasingly have reported growing disparities in the financial offers that accompany letters of admission from UM and its top competitors.
At the most selective public and private institutions, top students routinely receive multi-year awards, for as much as 5 years! mixing 1-2 years of fellowship support, that allow students to concentrate on their studies, with RA and TA funding and often some dissertation/research funding. The impressive package offered by the competition, and higher annual awards, pointed to the need to increase our annual fellowship stipend to a competitive level, while increasing the number of awards that from the outset commit to a multi-year package upon admission. Put directly, we were offering only a limited number of two year and one year awards to top students, which over time led to TA and RA ships that supported students for most of the years of their education, but the only thing the applicant would see from the outset was a two versus five year commitment.
This observation led us to advocate a greater degree of coordination and planning between the graduate school and academic departments to increase the number of multi-year awards that factored both graduate school and departmental resources into the offers.

In tackling the problem of competition, the Graduate School's first move was to significantly increase the fellowship stipend from $17,000 award to its current level of $21,500 annually. Our next move was to increase the number of two-year fellowships that recruit the top scholars to attend graduate school at the University of Minnesota; we now offer 83 one year and 121 two year awards.
Students can take the second year award an time in their second, third, fourth year. Similarly, increases in block grant funds have allowed us to increase base funding to academic departments in its most flexible form, with priority going to the most outstanding programs and those that have demonstrated potential for excellence. We now make allocations to approximately 90 programs, two thirds of which are now on staggered 3 year allocations that provide the best departments with more stable funding than they enjoyed previously. Following these moves, which brought significant new investments of central funding to graduate programs, we then conditioned graduate school black grant awards to departments on two key changes at the departmental level. The GS required academic programs that request funding to do a letter job of *planning* for the support of all of their graduate students. In practical terms it has meant that they submit a plan for supporting all of their students with multi-year awards from all sources: fellowships, TAships, RAships, etc., that are presented to their admits to ensure that they can make a competitive offer and support all those they admit.
Part of this process is identifying the resources available to support their students for all of the years that they work toward their degree.
This has had the effect of helping us to understand what is meant by "right sizing" each graduate program, since you can only admit those you can support, and it is helped to illuminate where the specific funding gaps remain at the departmental level.

Under my leadership, we've listened closely to departmental concerns about fellowship that make the point "one size doesn't fit all."
As we've gathered more departmental data about graduate student support we've come to recognize that the assets and gaps in certain departments are not identical to others. A comparison of bench sciences in IT or CBS with one of

CLA's Romance Language departments illuminates this problem. Abundant graduate funding in the sciences kicks in at the point that students have finished their disciplinary coursework and enter a specific faculty member's lab. For that reason, the gaps in funding primarily exist in the first two years. In language fields, there is an endless supply of TA money due to the number of undergraduate sections run by graduate students. The problem is not so much finding TA money as it is supporting students in non-teaching developmentally appropriate activities, e.g., research training and writing the dissertation, where a lack of funded faculty research means few opportunities to engage in research preparation in the course of their graduate studies.

Increased funding in related programs, such as the Grant-in-Aid program, has brought additional funding and training to graduate students in the form of research assistantships, which can also be used on a more *ad hoc* basis to fill some of these needs.

So too, academic programs reviews have helped to identify which fields may be ripe for increasing faculty grant activity that will round out the funding picture for graduate education. But all in all, taken as a whole, it is clear that central administration has provided a significant infusion of new money into graduate education in the nearly 2 years I have been here, and I have been assured that requests for graduate support are a top priority in the university's biennial budget, as they are in my own compact process.

As it currently stands, the Graduate Schools total fellowship budget for 07-08 stands at $10,000,000 with 60% going to support fellowships and 40% devoted to the block grant program, which provides base funding for approximately 90 academic programs from $5,000 per year for Classics, $30,000 to Anthropology, $75,000 for Ecology; to $180,000 for history and $200,000 per year for Chemical Engineering.

Within the next year or so, if we continue to require that academic units plan for developmentally appropriate plans for supporting all of their graduate students, I believe we will have put in place the necessarily incentives to recruit the best and brightest students, right size the enrollment of graduate programs, and provide graduate students with the conditions necessary for successful completion of their programs in a timely way. We will also have a much better grip on the extent of remaining need for funding graduate education within the next year or so, which may run as high as five times the current investment ultimately.

The key question for those who are thinking about the extent of the remaining need and the realities of implementation is "where will that money come from?"

-- Continued prioritization of graduate education, especially block grants and fellowships, within the biennial budget request;
-- Increased support to faculty for pursuing external funds to support their students through research;
-- Increased efforts to pursue funding through private fundraising. I made the case for launching a new development initiative in the Grad School to pursue private funding for graduate education. We've recently selected the Graduate School's first development offer, and we have just begun to make a case for a full blown development programs within the Graduate School.
   A critical part of this project is providing incentives and matches that support college fundraising, e.g., through the highly- effective 21st Century Fund program, which matches the payouts of collegiate fundraising for graduate fellowships.

Over time, we will also need to address the financial and other issues that surround TA and RAships which are critical to the whole package we assemble to recruit each new class of graduate students. It doesn't much help us that TA salary often is below the market rate, and extensive teaching at low wages probably increases rather than reduces time to degree completion. Graduate students frequently lose out to postdocs or staff in the bench sciences. What constitutes attractive wages and benefits changes over time, with Princeton now offering paid leave to new mothers and other private institutions following suit.

The wide variety of sources that contribute to Financing Graduate Education means that cooperative approaches which leverage resources tend to be the most effective over time.

(End of Dean Dubrow's remarks.)

The question they have heard repeatedly in CLA, Professor Martin related, is that the imperative to right-size programs

is seen as cutting the number of students, but the programs fund themselves through teaching large classes, in part with graduate student help, and they do not want to push the graduate students into classes without training. Graduate student training is a complex issue, Dean Dubrow said. The Graduate School is responsible for graduate students but has no money to provide training; the colleges are not responsible but they have the money. She said that she has a perspective different from that of Dean Rosenstone in CLA: departments determine what to fund in aid to graduate students:
all, none, some (along with a determination of expectation of debt); depending on the excellence of the program, the Graduate School may provide funding for graduate students. Dean Rosenstone, on the other hand, provides departments with the number of students they can admit.
There have been tensions about this and there can be unintended consequences (e.g., graduate seminars that are too small). This is a problem.

One part of the tension is that some units in the University see graduate students as employees, others see them as students, and some strike a balance, Professor Konstan said.
In his view the University needs to return to a view of assistantships as assisting students complete a degree.

Professor Konstan asked where the link to the market is in terms of right-sizing departments. Dean Dubrow talked about local determination and right-sizing; where will the students get a job? He also asked how much the budget model leads to short-changing graduate education (e.g., not providing funding for graduate seminars). On the latter point, Professor Martin commented, departments offer them anyway, sometimes on an overload basis.

There are multiple markets that affect higher education, Dean Dubrow said. The University will not attract top faculty, for example, if they will be unable to attract top students. The market for students varies; a common charge is that there is a lack of academic jobs for Ph.D.s in English. Those graduates get jobs in a wide variety of institutions, and for most their objective is not an academic position in an institution of comparable rank—they prefer liberal arts colleges.
What the University should not do is set the size of the graduate study body in departments to the number of TAs they need, or so that each faculty member gets at least one graduate student in his or her specialty. The Graduate School will not be a dictator on what market value fields have or do not have, but that needs to be one subject of discussion when decisions about the number of graduate students to be admitted in a department are made.

Professor Roe asked if the Graduate School expects all students to receive support. Dean Dubrow said they expect all departments to develop a plan to make apparent to applicants and students that they will receive developmentally-equitable support and will receive the experience they need. The metropolitan area is a good market, with a number of colleges, Professor Roe observed; the Graduate School might want to see all students receive support, but many of them are teaching in local institutions.
That is true of many professions, Dean Dubrow said, but if a department's graduate students are only in the local market, it is not likely that department will see much funding from the Graduate School, because that is not the appropriate market for a top-three institution.

Professor Warwick asked about the 21st Century funds being used up. Dean Dubrow said they have been tapped out.
Professor Warwick said those funds are a great way to increase support for graduate students and suggested that the Graduate School seek private funds.
Dean Dubrow said that is the first project for the new development officer being hired by the Graduate School.
Professor Warwick suggested raising the minimum amount to $100,000. Dean Dubrow said she would work with the Foundation to evaluate what approach would be likely to bring in the most funding.

Professor Zaheer asked how the increased aid levels have helped the University compete with top schools. Dean Dubrow said the increased aid has only been available for a year so she was reluctant to make a report, but said there clearly is an arm's race in competing for the best graduate students and she hopes the University can keep up.

Mr. Klein asked how they identify departments that are on track to excellence. Dean Dubrow said there are eight variables, such as the NRC rankings (which have a shakeup in the new study because NRC is using a quite different method), quality of faculty identified by awards and program reviews, how effectively departments recruit top scholars, and so on. The indicators provide a record that the Graduate School takes into account as it makes fellowship and block grant awards.

Professor Roe asked about Dean Dubrow's involvement in the legislative request. Dean Dubrow said she was not consulted on the dollar amounts requested but that she had a serious commitment from Provost Sullivan that she has chosen to trust will be honored. She is not involved with the legislature. Professor Roe said the University has learned that legislators are often excited to hear from individual faculty because they can see the relationship of faculty work to the welfare of the state.

Professor Martin thanked Dean Dubrow for joining the meeting.

2. Enterprise Financial System

Professor Martin now welcomed Mr. Volna back to talk once again about the Enterprise Financial System. She reported that after he last talked with the Committee on this subject, there were concerns about the "Integrated Services Framework," which called for certain financial activities to be the department's responsibility, some the responsibility of central business units, and some "cluster" college/administrative units accountable to both local and centralized units.

Mr. Volna distributed a visual representation of the department-cluster-central concept that noted which levels would have which responsibilities.
He emphasized, however, that in July, 2008, when the system is fully implemented, the vast majority of financial activity will be at the department level.
He has heard claims that the plan is to centralize most things, eliminate jobs, and create a top-down system. He said that is definitely not true and there will be no change to the core philosophy of how financial matters are handled at the University. Budgets will be done at the local level and the system will support them. The only change is in a few items in the "cluster model" column (that includes A/R customer bill entry, purchasing oversight, payment voucher entry, journal entry, annual budget oversight, position management, and data analysis and reporting).

The change is being made for several reasons. The President has emphasized the transformation of the University and his administrative task force proposed the cluster model be used wherever possible to increase efficiency and security.
Moreover, when they looked at the new system and what it can and cannot do and where there are gaps, they tried to identify a way to solve the problem (the gap).
Should they change the system or change institutional policies or practices? The items in the center of the list cover the gaps, high-volume transactions that can be done more efficiently at a higher level than the department. In the case of purchasing oversight, for example, buying will remain at the local level; the plan provides oversight for exceptions.
For each item on the list, the attempt is to find a way to locate it so it is not centralized but is at an intermediate point providing access to colleges and departments but protecting security.

Departments will have the same access to reporting that they do today, Mr. Volna said in response to a question. What departments need for day-to-day work will be available. Nor will access and security be changed; if someone has access to a document today, he or she will have access in the new system. The new system blends data (richer), tools (more complex), and skills (must be higher).

Will they be ready in July, 2008, Professor Konstan asked? There is a fear that data will not be available; it would be nice to have the system fully tested and available July 1. They are doing that testing, Mr. Volna said; their highest priority is the high-volume and high-distribution reports or those requested for compliance purposes. Lower on the list are those reports rarely requested or specifically requested for CUFS; in those cases, they intend to wait to see what the data needs are.
They will not develop new reports until departments have had a chance to work with the new reports and data available.

Will the accuracy of data input improve with the new system, Professor Feeney asked? Groups enter data differently sometimes, he said; will be there be competence training so that people do not, for example, put money into miscellaneous categories when it should not be? Data integrity underlies many concerns, Mr. Volna said. There will

be more than 60 courses offered on the new system, and while no one will be required to take all 60, people will be required to take those courses related to their jobs.
If one has broad responsibilities, he or she could be required to take a fair number of courses. Data accuracy will be very important, he agreed.

Professor Konstan asked if Mr. Volna were talking to another Senate committee. If not, he suggested that time might be scheduled for Committee members interested in more technical issues, after they have a chance to talk to people in their departments.
Mr. Volna said he would be happy to meet with a subset of the Committee about details of the system. Professor Martin said she would send a message to Committee members inviting them to a technical session; she agreed it would be helpful if some Committee members could help keep an eye on those details.

Mr. Volna distributed copies of a description of Service Level Agreements, which establish "measurable agreed-to targets of performance between the cluster and central financial services (required), and the cluster and the departments financial areas (highly recommended)."
These are used across the University, Mr. Volna said, and they have found them to be a good way to clarify expectations and accountability when splitting up work. He said they hope to create such agreements between departments and clusters so that faculty know what to expect and to define benchmarks.

Professor Feeney reported that when this system was presented to the Academic Health Center Finance and Planning Committee, a question about intended and unintended consequences came up. If a faculty member is not interested in the training, will there be pressure on local staff to become more expert? He said he was not interested in the training and would rather be able to tell staff what he needs and let them handle the technical elements. Is that question bubbling up? Mr. Volna said he has not heard it and does not know if it is widespread. He is meeting with each dean and vice president and chancellor, creating liaisons, and encouraging teams to develop local approaches in their colleges.
But they do want to see a narrow band of standardization; in some areas the University does things in two dozen different ways, which makes it difficult to achieve efficiency or savings. They want to deal with 85-90% of activity in standard ways, and handle things that are three standard deviations off the norm on an exceptions basis.

Professor Martin asked if Mr. Volna would return in September to let the Committee know how the change is going. Mr. Volna said he would be pleased to do so.
Professor Feeney said that a lot of money is focused on this project and that a lot of other projects have been put on hold because of it; will it really be completed in 2008? It will, Mr. Volna promised.

3. Parking Rates (Twin Cities Campus)

Professor Martin turned to Vice President O'Brien to introduce a discussion of parking rates. Ms. O'Brien noted that auxiliary units, like academic units, are now preparing their budgets; there has been a presentation of the Parking and Transportation Services (PTS) budget to Senior Vice President Jones and Vice President Pfutzenreuter, and this Committee has always also been interested in it.
In the course of setting many rates this year (housing, parking, dining, etc.), they are paying attention to the cost of attendance for students.

Mr. Baker distributed a 10-page handout and reviewed the Vision Statement, Mission Statement, and Goals for PTS and then noted a few "quick facts."
The first two quick facts were that there are 6 parking garages and 8 parking ramps, which led Professor Martin to inquire what the difference between them is. Mr. Baker explained this is a distinction which seems to exist only in the Upper Midwest: a structure above grade is a ramp, a structure below grade is a garage. Among other facts noted were that there are 134 surface lots, 16 Campus Connector buses, and 14.3 miles of campus streets. On the last one, Mr. Baker said that number has been constant but will increase with the development of the East Gateway District, as the City of Minneapolis prepares to vacate streets for the University. The miles of campus sidewalks and plazas (46) will also grow.
Mr. Baker noted particularly that the number of hybrid vehicles continues to grow and that the University is doing an experiment with the State of Minnesota

to increase the ethanol blend from 10% to 20%; this work is being done with Professor Kittelson in Mechanical Engineering.

Mr. Baker reviewed the statistics related to campus shuttle and commuter bus service use and noted that about 68% of those who arrive on campus each day do not do so in single-occupancy vehicles. That represents a significant increase in the last three or four years.
There were about 3.9 million bus riders in 2005-06 (mostly students); the average cost per passenger was 87 cents. The number of U-Passes (students) increased from about 17,000 to 18,693; the number of Metropasses (faculty and staff) increased by about 100, to 1441.
Customer satisfaction surveys suggest that people are very pleased with the bus service they receive.

The campus has 20,123 parking spaces, of which 12,838 are contract, spread across lots, ramps, and garages, and of which 13,541 are on the East Bank.
Professor Martin said she has heard rumors that the campus has more parking spaces than it needs. Mr. Baker said that it is all a matter of location; in some cases (e.g., the Washington Avenue Ramp), they could build a facility three times the size of the existing one and it would still be full.
In other cases, at the periphery of a campus area, the lots may not fill up every day.

Mr. Baker reviewed the financial parameters of PTS. It is self-supporting, with no state funding; a portion of the student service fee is allocated to support the on-campus transit system and the U-Pass program. If central funding is used to subsidize parking, less money will be available for academic purposes. As low-cost surface lots disappear, replaced with higher-cost structures, additional revenues are needed to balance the budget. Parking revenues are used to support transit and other transportation alternatives (the buses are not free). Parking rates are based on facility type and associated cost and are influenced by market factors of facility type, location, and demand. It costs up to 10 times as much to build a ramp space (about $15,000 – 17,000) as a surface lot space; a garage space can cost up to 20 times as much (about $25,000 or more, depending on the site).
Mr. Baker reviewed the allocation of PTS funds in 2005-06 ($25,565,113); 34% to capital projects and debt service, 18.5% to salaries and fringe, 10.4% to maintenance and repair, 13.6% to the bus and bike program, 13.7% to the U-Pass/Metropass programs, and 10% to other expenses such as utilities.

The parking lots and facilities need shrubs and trees, Professor Martin commented. Mr. Baker agreed but said they can become security issues, they get hit by snowplows, and they don't respond well to the salt that is used in the winter.

Projected income comes from contract parking (44.1%), event parking (6.3%), U-Pass/Metropass programs (12.4%), transient/meter parking (32.9%), and campus shuttle (3.7%). The "current service level cost drivers" are wages, fringe benefits, information systems, increased funding for depreciation, and increased funding for the East Gateway District; the latter two account for over $900,000 of the total anticipated increase of $1.1 million. Mr. Baker explained that PTS is trying to add to the funding for depreciation over a 5-10-year period, and that PTS will also contribute about $13 million for roads and sidewalks in the East Gateway District over a number of years in the near future. Those improvements will also add to operating costs, and they would like to phase them in over 6-7 years. Professor Konstan asked what the process is to get on the list of things that do or do not change; does PTS have an advisory group? Is this Committee the only consultation? Mr. Baker said they also consult with a student advisory group.

Mr. Klein asked if the depreciation allowance in the plan for the next fiscal year covers the anticipated amount needed to replace facilities funded by Parking?
Professor Konstan asked if the amount in the 2007-08 budget ($654,000) is an INCREASE over the previous year's contribution and whether PTS is keeping even by setting aside these amounts. It is an increase, Mr. Baker affirmed, and said that they are falling behind.
Parking facilities are in good shape right now, but in 15-20 years there will be large projects (e.g., the Oak Street ramp could cost $50 million to replace).

The changes PTS is recommending, to meet its proposed budget obligations, are an increase in parking (contract and non-contract), an increase in the transportation fee, and increases in the U-Pass and Metropass rates. Options they rejected (in part because this Committee objects when PTS suggests doing so) include eliminating free night/weekend parking, the Washington Avenue Bridge circulator, the St. Paul circulator, late night/weekend shuttle, free event parking for contract holders, and the charge for any-facility contracts.

Mr. Rollefson said that parking on the campus is a bargain compared to downtown rates but asked if increasing parking charges at a rate greater than the salary increases is a strategic decision. Mr. Baker said it is not; they factored in salary increases but developed the budget on the basis of what it costs to do business. They compare rates with downtown facilities, and everyone believes the University should be able to operate more cheaply, but their wages are the same as elsewhere in the University and the quality of the parking structures is high (e.g., lights and cameras), and the programs they operate cost money.

Professor Konstan said the quality of facilities is an important point that should not get lost. The University is not in downtown, but the (privately-owned) ramp on Seven Corners charges $80 per month, which is close to the University, which charges more than that.
People vote with their feet, which is why the spots on every street around the University are filled every day. He said students are reluctant to come to campus because of the cost of parking. It is wonderful to support the East Gateway District and to increase the allocation for depreciation, but it is irresponsible to do both right now. It is irresponsible to increase rates more than the increase in what the University is paying students in student jobs. Depreciation is a 15-year project; they can take care of some of it now and some after the East Gateway District costs have been paid for.
Professor Martin agreed, noting that PTS does expect to generate additional revenue from the new stadium parking facilities.

Vice President O'Brien recalled that an institutional decision was made before any of the people currently at this meeting were on the Committee:
PTS would run a campus bus service, it would subsidize transit, and it would pay for streets, sidewalks, and skyways. When people pay for parking, they are also paying for part of the University's infrastructure; if those costs are not paid from parking revenues, they would need to be paid from some other budget. This is a policy question and it was a purposeful decision that parkers would subsidize transit, she said. Professor Martin agreed that was fair, but with the new budget model, where units pay for what they use, one can wonder if PTS should pay for sidewalks and skyways. That was a policy decision they did not make, Ms. O'Brien pointed out. The Committee might raise it again, Professor Martin suggested.
With the cost pools methodology now in use to distribute costs in a manner that is an approximation for usage of the service, doing so becomes feasible, Mr. Klein added.

Ms. Blixt commented that she has had contract parking for a long time, and grouses like everyone else about the price, but it is beneficial to have a bus that goes between campuses and she benefited from the motorist assistance program, which she said is well worth paying for as part of her parking contract. Can anyone use that program, Mr. Moseley asked? As long as they parked legally in a University facility, Mr. Baker said.

Professor Konstan said that there is a proposed 4% increase in PTS costs when wages and salaries will increase only 3.5%, for two reasons.
First, depreciation was not handled right in the past and needs to be dealt with, and second, there is external (to PTS) pressure to pay part of the East Gateway District costs.
He said he would rather see a model that ties parking increases to salary increases. Ms. Blixt said it comes down to dollars, not percentages; the actual dollar increase in the cost of a parking contract is a lot less than the salary increase.

The rates for contracts is proposed to increase as follows: lots: $61 to 63.50 (4.10%); ramps: $90 to 93.50 (3.89%); garages: $117 to 122 (4.27%).
Hourly facilities would increase 10% ($2.50 to 2.75), carpool parking would increase 11.11% ($2.25 to 2.50), and

Metropass and U-Pass charges would increase 3.23%.
The student transportation fee would increase from $15 to 16, an increase of 6.67%. There would be no increase in event parking (at $7 and $9, depending on the nature of the event). They expect to clear only about $300,000 to $350,000 at the new stadium, because there are only seven football games. They look at the market for event rates every year and compare them with the Twins, Orchestra Hall, etc., but not the Vikings.

Professor Warwick noted that tax season had just ended and asked if it would be possible for people to make a donation to parking, in support of University activities.
Professor Konstan added that one could make a donation of $300, which would allow PTS to sell contract spots for less and allow the individual to write off the donation.

Professor Martin next asked about the proposal from GAPSA to allow reduced-cost parking on nights and weekends for graduate students.
Mr. Baker reported he met recently with Council of Graduate Student and GAPSA representatives and as a result they are doing two things.
First, they are extending night contract parking to graduate students (at present it is available only to faculty and staff), which begins at 4:30.
They will work with students, depending on the location; they do have security concerns (they have not had a significant incident in a parking facility for 15 years and they like to congregate people in certain facilities for night parking).
Second, they need to study further the limited-use contract that is now available to faculty and staff (which provides for 22 days per year at the cost of one month's parking).
That program has sold like hotcakes and they will evaluate it at the end of the year. The problem is that it is like Russian roulette: PTS does not know the number of people who will show up on any given day. They can also be more flexible for graduate students on the night contract parking and they have asked GAPSA to survey its membership to get an idea of the number of people who might be interested in the limited-use contract.

Professor Martin commended Mr. Baker for working with the graduate students and said it would be a nice option to offer.

Mr. Baker next displayed a schematic of the East Gateway District with the new football stadium and explained how streets would be relocated, where parking facilities would be, and how they would interact with the proposed Central Corridor LRT line.
He cautioned that parking will "not be pretty" the next couple of years while construction is under way. Vice President O'Brien added that with the new research facilities planned for the area, there would be an additional 1000 faculty and staff.

Professor Martin thanked Mr. Baker and Vice President O'Brien for their presentations and adjourned the meeting at 4:40.

-- Gary Engstrand

University of Minnesota