ND State Board of Higher Education
Minutes—June 7, 2010
Fargo, North Dakota

The State Board of Higher Education met June 7, 2010, by conference call 11:00 a.m. The call originated in the North Dakota University System office on the 10th floor of the Capitol. The board president called the meeting to order at 11:12 a.m. CT.

Members present:
Mr. Richie Smith, President
Mr. Claus Lembke
Mr. Duaine Espegard
Mr. Grant Shaft

Mr. Jon Backes, Vice President
Ms. Rachelle Hadland
Mr. Jon Jackson, faculty representative

SBHE members absent:
Ms. Sue Andrews
Mr. Mike Haugen

Staff members present:
Dr. Marsha Krotseng, Vice Chancellor for Strategic Planning/Executive Director of CTEC
Debra Anderson, Public Affairs & Marketing Director
Randall Thursby, Chief Information Officer
Erika Lorenz-Perry, Secretary

Others participating:
Shane Goettle, North Dakota Department of Commerce
Justin Dever, North Dakota Department of Commerce
Brian Opp, North Dakota Department of Commerce
Mark Nisbet, Chairman, Centers of Excellence Commission
Mr. Backes assumed the duties of President as Mr. Smith was traveling and participating by phone.

**Act on Centers of Excellence Commission Recommendations, regular applications**

Dr. Krotseng gave an overview of the Centers of Excellence (COE) Commission recommendations and meeting materials.

Mr. Nisbet gave a brief overview of the makeup of the Centers of Excellence Commission.

In response to a question from Mr. Lembke regarding competition with private enterprise, Mr. Espegard responded that this was not a concern on any of the proposals.

**North Dakota State University – Center for Advanced Technology Development and Commercialization (CATCOM)**

Dr. Krotseng said the Center for Advanced Technology Development and Commercialization is designed to help private sector entities interact with NDSU’s research and development and technical expertise capabilities to help develop and manufacture products incorporating inventions, technologies and IP created by NDSU and/or private sector partner.

**It was moved** by Espegard, seconded by Hadland, to approve the North Dakota State University – Center for Advanced Technology Development and Commercialization (CATCOM) recommendation in the amount of $3,900,000, with $7,800,000 matching funds, with the condition that matching funds are in place before funds are dispersed. Lembke, Espegard, Hadland, Shaft, Backes, and Smith voted aye. The motion carried.

**Minot State University – Center of Excellence in Entrepreneurship Networking (E-Net)**

Dr. Krotseng said the E-Net Center will work with entrepreneurs and small business owners in northwest North Dakota and throughout the state with a focus on Pride of Dakota members. The Center will collaborate closely with the Severson Entrepreneurship Academy and extend those services to the broader community.
It was moved by Lembke, seconded by Espegard, to approve the Minot State University – Center of Excellence in Entrepreneurship Networking (E-Net) recommendation in the amount of $267,000 with $534,625 matching funds, with the condition that matching funds are in place before funds are dispersed. Espegard, Shaft, Lembke, Hadland, Backes, and Smith voted aye. The motion carried.

North Dakota State University – The Center of Excellence for Sensors, Communications and Control (CSCC)

Dr. Krotseng said the Center will focus on providing needed expertise in core areas of JAVA programming, sensor integration and systems engineering. CSCC will leverage current general engineering staff and add to that staff to support its mission to grow high-tech jobs and high-tech economic activity in North Dakota. The added staff at CNSE will be engineer and computer science professionals with significant domain expertise in sensor design, communications and control.

It was moved by Lembke, seconded by Shaft, to approve the North Dakota State University – The Center of Excellence for Sensors, Communications and Control (CSCC) recommendation in the amount of $2,800,000, with $5,600,000 matching funds, with the condition that matching funds are in place before funds are dispersed. Lembke, Shaft, Hadland, Espegard, Backes, and Smith voted aye. The motion carried.

Minot State University – Minot State University/Trinity Health Geriatric Research Center of Excellence

Dr. Krotseng said the Minot State University and Trinity Health will establish a Geriatric Research Center of Excellence. Through this Center, teams of MiSU faculty/students and Trinity Health professionals will investigate geriatric health-related issues, seeking solutions to problems and identifying best practices in health care for this growing population in the region.

It was moved by Shaft, seconded by Lembke, to approve the Minot State University – Minot State University/Trinity Health Geriatric Research Center of Excellence recommendation in the amount of $500,000, with $1,000,000 matching funds, with the condition that matching funds are in place before funds are dispersed. Shaft, Hadland, Lembke, Espegard, Backes, and Smith voted aye. The motion carried.
Report on Centers of Excellence Commission Recommendation, Center of Excellence Enhancement Grant Application – Dr. Krotseng

Dr. Krotseng gave an overview of the Centers of Excellence Enhancement Grant application process. She said $10 million of Centers of Excellence funds were set aside for enhancement grants which are available only to the research universities. The funds may be used for infrastructure improvement, enhancing economic development, and developing employment opportunities in the region.

Mr. Nesbit said this will enhance opportunities for local business to interact with procurement opportunities. He said the military bases seem to appreciate when local businesses are involved with the bidding process as the result is often better bids for goods and services.

Mr. Goettle said the delivery system is through North Dakota Small Business Development Centers which will help prepare small businesses to bid on military contracts.

University of North Dakota - Grand Forks Air Force Base Realignment Business Transition Program, $200,000

Dr. Krotseng said UND is requesting $200,000 to provide technical assistance to businesses affected by the realignment of the Grand Forks Air Force Base. These services will be provided by North Dakota Small Business Development Centers. Funding will be used to hire a program director, an assistant, and aerospace consultants.

It was moved by Espegard, seconded by Shaft, to approve the University of North Dakota - Grand Forks Air Force Base Realignment Business Transition Program recommendation in the amount of $200,000, with $100,000 matching funds with the condition that matching funds are in place before funds are dispersed. Hadland, Espegard, Shaft, Lembke, Backes, and Smith voted aye. The motion carried.

Mr. Goettle said it was important to note a new method for verifying matching funds. He said matching funds are dispersed throughout the life of the project, not to the university at the beginning of the project as had been done in the past. Matching funds are verified, brought to the Centers of Excellence Commission, and the Commission must approve the release of funds.
Dr. Krotseng noted the University of North Dakota - Grand Forks Air Force Base Realignment Business Transition Program does not require approval by the SBHE.

The meeting adjourned at 11:39 p.m.

[Signatures]
Executive Secretary

[Signatures]
President

9/16/10
Date