The State Board of Higher Education met June 17, 2004, in the Student Center, Ballroom B, on the campus of Dickinson State University. The Board president called the meeting to order at 8:30 a.m. MT. Members present:

Dr. Richard Kunkel, President  Ms. Pamela Kostelecky  
Mr. Bruce I. Christianson, Vice President  Mr. Phil Leitner  
Mrs. Sue Andrews  Mr. Chuck Stroup  
Mrs. Beverly Clayburgh  
Mr. Ralph Kingsbury

Member absent:

Dr. Ann Burnett, Faculty Advisor

Presidents, campus deans, and campus representatives present:

Dr. Donna Thigpen, BSC  Dr. Sharon Hart, NDSCS  
Dr. Lee Vickers, DSU  Dr. Joe Chapman, NDSU  
Dr. Sharon Etemad, LRSC  Ms. Martha Potvin, UND  
Dr. Pam Balch, MaSU  Dr. Ellen Chaffee, VCSU  
Dr. Erik Shaar, MiSU  Dr. Joe McCann, WSC  
Dr. Ken Grosz, MiSU-BC

Staff members present:

Dr. Michel Hillman, Interim Chancellor/Vice Chancellor for Academic & Student Affairs  
Ms. Laura Glatt, Vice Chancellor for Administrative Affairs  
Mr. Eddie Dunn, Vice Chancellor for Strategic Planning/Executive Director CTEC  
Mr. H.P. Seaworth, General Counsel/Executive Secretary, (via phone)  
Ms. Debra Anderson, Public Affairs Director  
Ms. Mary Vammer, Secretary  
Ms. Sheila Tibke, SBHE Administrative Secretary/Financial Aid Assistant

Newly appointed Board member John Q. Paulsen attended portions of the meeting.
BREAKFAST MEETING

Board members met for breakfast in the Student Center, Ballroom A, with leaders from student government, staff senate, and faculty senate.

Minutes

BOARD PRESIDENT’S REPORT

President Kunkel provided information on the WICHE committee meeting he attended.

INTERIM CHANCELLOR’S REPORT

Dr. Hillman stated the Board members should have received the Interim Chancellor’s Report. He also gave a review of the Roundtable meeting. Issues the Board is currently working on, such as collaboration and distance education, were items reinforced during Roundtable discussion.

NORTH DAKOTA STUDENT ASSOCIATION REPORT

Mr. Joe Mathern, North Dakota Student Association (NDSA) president, stated the association has been doing a lot of preparation for the upcoming year. They are determining what issues they want to be focusing on and they also elected new officers. Mr. Mathern stated the previous president did not have any direct input on the statement read at the Williston SBHE meeting, but did have indirect input. He did apologize for the statements made by the former president, Mr. Klein, at the previous meeting.

Mr. Stroup asked what the transition plan for the new chancellor would be. President Kunkel stated Dr. Potts has an itinerary which includes visiting with Board members and visiting campuses throughout the state. Mr. Christianson stated there is an orientation with Dr. Potts and the new Board members scheduled for July 13, 2004.

COUNCIL OF FACULTIES REPORT

Dr. John Pederson reviewed the following points:
- CCF elected the following new officers in May: President, Dr. John Pederson; State Board of Higher Education Faculty Advisor, Dr. Ann Burnett (re-elected); Vice President, Fernando Quijano; and Secretary, LoAnn Nelson.
• Faculty are concerned about the message communicated by the Board when the Board supported a 3% salary increase as opposed to a 4.2% salary increase. Faculty would appreciate the Board’s reconsideration of the 4.2% increase in the needs-based budget request.

• There is concern among faculty with the pay lag issue with the ConnectND implementation.

• Faculty are interested in knowing what role they can play in maintaining the momentum of the Roundtable. They are also specifically interested in the definition and implementation of the educational excellence cornerstone.

• Dr. Pederson looks forward to next year with the CCF’s cooperation in working with the Board. He expressed his appreciation of the Board’s willingness to work with the faculty on the textbook issue.

President Kunkel introduced John Q. Paulsen, a new Board member as of July 1, 2004. Kayla Effertz is the new student member but was not in attendance.

Mr. Seaworth was connected by telephone at this time.

MAJOR POLICY DISCUSSIONS

Task Force Reports

*Executive Compensation Study* – Ms. Andrews reviewed the final task force report and the recommendations.

Task force recommendations included:

1) Repeal current SBHE policy 705.1 and replace with individual contracts with each president.

2) Implement a new executive compensation plan for new presidents hired after July 1, 2004, and including Dr. Potts.

3) Retain current employment contract format and rolling contract terms.

4) Amend SBHE policy 701.2 to permit 30 days of developmental leave following five years of service and each five years thereafter for presidents and the chancellor.

5) The chancellor, in cooperation with the SBHE and presidents, develop a compensation plan for SBHE consideration by no later than December 31, 2005.

Mr. Stroup stated the wording in the second recommendation should be changed to starting July 1, 2004, in place of hired after July 1, 2004.

In response to a question, Ms. Glatt said Dr. Fuller would have the option, like the other presidents, to remain under the current plan provisions or transition to the new place provisions. Mr. Stroup questioned the December 31, 2005, completion date for the development of a new compensation plan. Ms. Andrews indicated they wanted to allow Incoming Chancellor Potts ample time to complete the plan. Dr. Potts is supportive of the deadline date.
4) All advertising should be accurate.
5) Advertising should neither state nor imply anything negative regarding another system campus. Communications between the campuses should resolve most advertising issues.

Dr. Hillman suggested the Board may want to look at what the appropriate incentives are for collaboration. Dr. Hillman indicated the recommendations above will be incorporated into system procedures.

It was moved by Ms. Andrews, seconded by Ms. Clayburgh, that campuses will be expected to abide by these provisions from this day forward. Andrews, Clayburgh, Kingsbury, Kostelecky, Leitner, Stroup, Christianson, and Kunkel voted aye. The motion carried.

2005-2007 Budget

It was moved by Mr. Stroup, seconded by Mr. Leitner, to reconsider the motion to approve the 2005-2007 Needs-Based Budget from the April 15, 2004, meeting. Mr. Stroup stated his intent for reconsideration is to make one amendment regarding the salary adjustments. Andrews, Clayburgh, Kingsbury, Kostelecky, Leitner, Stroup, Christianson, and Kunkel voted aye. The motion carried.

It was moved by Mr. Stroup, seconded by Ms. Andrews, to amend the 2005-2007 Needs-Based Budget as adopted on April 15, 2004, replacing a 3%/3% salary increase with a 4.2%/4.2% increase. Andrews, Clayburgh, Kingsbury, Kostelecky, Leitner, Stroup, Christianson, and Kunkel voted aye. The motion carried.

It was moved by Mr. Christianson, seconded by Ms. Kostelecky, to approve the supplemental budget priorities as recommended by the Chancellor’s Cabinet as well as convey the budget message outlined to Governor Hoeven. Ms. Glatt reviewed the incremental funding increases beyond the alternate 21% budget. Andrews, Clayburgh, Kingsbury, Kostelecky, Leitner, Stroup, Christianson, and Kunkel voted aye. The motion carried.

The priorities include:

1) State fund 100% of state share of parity
2) Compensation increase from 3% to 4.2% per year
3) Board initiative funding increase
4) State grant program increase, to replace all lost MN reciprocity funds
5) Capital assets funding increase
6) Equity funding increase to move all campuses to a minimum of 45% of their peer benchmark, above 21% equity funding
7) Equity funding increase to move all campuses to a minimum of 50% of their peer benchmark, above 21% equity funding
8) Equity funding increase to move all campuses to a minimum of 55% of their peer benchmark, above 21% equity funding
9) Equity funding increase to move all campuses to a minimum of 60% of their peer benchmark, above 21% equity funding
10) 10% increase for Forest Service, Extension, Research Centers, NCI & UGPTI
11) Equity funding increase to move all campuses to a minimum of 65% of their peer benchmark, above 21% equity funding
**It was moved** by Ms. Andrews, seconded by Ms. Clayburgh, to approve on first reading and waive second reading of the final report and recommendations from the State Board of Higher Education Executive Compensation Task Force outlined above and including further amending 701.2 as follows: the first line of the second point to read 30 calendar days and also amend the second 2 to be changed to 3; and delegate authority to the interim chancellor to approve and execute individual presidential contracts consistent with the Task Force recommendations; Direct the chancellor to prepare plan documents for Board action in July on new retirement plan or plans required to implement the task force recommendations. Andrews, Clayburgh, Kingsbury, Kostelecky, Leitner, Stroup, Christianson, and Kunkel voted aye. The motion carried.

*Clarifying Campus Missions* – Dr. Hillman reported on the history of the Clarifying Campus Missions Task Force and reviewed the conclusions and recommendations in the final report of the task force.

**It was moved** by Mr. Kingsbury, seconded by Mr. Leitner, to recommend these issues be added to the Board’s planning session agenda for July of 2004 and to future Board agendas for discussion by the entire Board. Andrews, Clayburgh, Kingsbury, Kostelecky, Leitner, Stroup, Christianson, and Kunkel voted aye. The motion carried.

**Cabinet Recommendations on Collaboration**

Dr. Hillman reported on Cabinet recommendations on collaboration. The issue of collaboration and collaboration specifically in Academic Programs is directly addressed in Board policies and system procedures. Relevant Board policy references include:

- Section 100.5 Beliefs
- Section 100.6 I Guiding Principles
- Section 403.1 Program Approval
- Section 404.1 Distance Learning Credit Activities

The Chancellor’s Cabinet has suggested that the Academic Affairs Council review and consider making recommendations on development of a service region concept.

These policies as well as the level of collaboration suggested by the Roundtable report suggest the following:

1) Communications between campuses should be occurring on a regular basis, particularly regarding courses and programs offered through distance education and most particularly when distance education involves or is targeted directly at another campus’s home community.

2) Although the type and level of communication needed often involves academic vice presidents, all appropriate levels need to be involved. Presidents must set the tone and expectations for the campus, but the details of the collaborative discussion must reach down to the dean, department head and faculty levels.

3) A campus learning in the media about another campus’s intent to offer a program in the first campus’s home community is an indication that appropriate communication has not taken place. If campuses are collaborating as expected, then no campus will be surprised by an announcement of another campus delivering a program in their community.
12) Equity funding increase to move all campuses to a minimum of 70% of their peer benchmark, above 21% equity funding
13) CIS-Project oversight management
14) CIS-Middleware Project
15) Equity funding increase to move all campuses to a minimum of 75% of their peer benchmark, above 21% equity funding
16) Equity funding increase to move all campuses to a minimum of 80% of their peer benchmark, above 21% equity funding Equity funding increase to move all campuses to a minimum of 85% of their peer benchmark, above 21% equity funding


It was moved by Mr. Christianson, seconded by Ms. Clayburgh, to approve the major capital project priority list for 2005-07 as recommended by the Budget and Finance Committee. Ms. Glatt reviewed the four categories the motion would cover which included: the seven state funded campus priority projects; the campus non-state funded unranked projects; experiment stations and forest service state funded priority projects; and the Experiment and Forest Service non-state funded unranked project. Andrews, Clayburgh, Kingsbury, Kostelecky, Leitner, Stroup, Christianson, and Kunkel voted aye. The motion carried.

The Interim Chancellor’s recommended state ranked projects include:
1) Hazardous Material Handling/Storage – NDSU
2) Murphy Hall Renovation–Phase II – DSU
3) WE Osman Bleacher Replacement – VCSU
4) Thatcher Hall Addition – MiSU-BC
5) Science Lab Renovation & Multi-Use Classroom Addition – LRSC
6) O’Kelly Hall Renovation-Ireland Lab Renovation – UND
7) Electrical Distribution-Phase II of IV – NDSCS

The Interim Chancellor’s recommended state ranked projects for Experiment Stations and Forest Service include:
1) Research Greenhouse Complex-Main Sta. – Exp. Sta.
2) Seed Processing Facilities – Forest
3) C. Grasslands Headquarters Office Addition – Exp. Sta.

BOARD BUSINESS AND SPECIAL REPORTS

Progress Reports on the Campus Alignment Plans

Mr. Dunn reviewed the progress reports on campus alignment plans. He commended the campuses, particularly the presidents, for responding to the refinements to the plans requested by the board in November of 2003. Mr. Dunn said there are minor clarifications in some of the plans which were not significant enough to ask the campuses to revise and resubmit their plans. He said if the Board adopts/approves the progress reports, it is recommended the suggested clarifications be forwarded to the campuses so they can be incorporated into future plans and progress reports. Mr. Christianson commented that there have been significant improvements in the progress reports for the alignment plans. He said one area where there is still room for improvement is in the
sustaining the vision cornerstone area. Mr. Dunn said a suggestion was made by one of the campuses to add the progress reports to the web page. Progress Report copies of the Campus Alignment Plans are on file in the System Office.

It was moved by Mr. Christianson, seconded by Ms. Kostelecky, to approve the progress reports for the campus alignment plans and encourage the campuses to continue to make refinements, as noted, in future campus alignment plans and corresponding progress reports. Andrews, Clayburgh, Kingsbury, Kostelecky, Leitner, Stroup, Christianson, and Kunkel voted aye. The motion carried.

**Strategic Plan/Annual Operating Plan Status Report**

Mr. Dunn reported on the status of the achievements and/or progress toward the nine objectives in the NDUS Strategic Plan/Annual Operating Plan. He said all nine objectives were achieved this year.

It was moved by Ms. Kostelecky, seconded by Ms. Clayburgh, to compliment everybody involved in achieving all of the objectives especially since this was a challenging year. Clayburgh, Kingsbury, Kostelecky, Leitner, Stroup, Christianson, and Kunkel voted aye. Andrews was absent. The motion carried.

Dr. Kunkel recognized Mr. Leitner for his involvement from July, 2003 through June, 2004, with the State Board of Higher Education and presented him with a plaque. Mr. Leitner is currently running for the House of Representatives for District 24 in Valley City.

The meeting recessed to the Student Center, Ballroom A, to meet with the community and business leaders.

**COMMUNITY MEETING**

Community and business leaders from the Dickinson area met for lunch with the Board, NDUS staff, and campus presidents to discuss major challenges and opportunities emerging in the state and how the NDUS can be helpful in addressing these challenges and opportunities.

**BOARD BUSINESS AND SPECIAL REPORTS cont.**

ConnectND Update

President Vickers, chair of the CND Executive Steering Committee, provided an update on the project. He stated the data center is progressing well. It can currently handle 2,000 simultaneous users, with an ultimate goal of 4,000. He said there has been concern regarding the conversion of student records. He reported it is under control and errors are down below 10%. Project staff are determining the staffing needs and costs related to the delayed roll-out. Grant Crawford has tentative budget figures which will be reviewed next week by the Steering Committee. The Steering Committee meets every Tuesday morning and reviews several issues including status of access control, reports and queries, training, and training manuals, issues of concern raised by all.
campuses. President Vickers reported the grants and contracts project and campus staff are meeting at the NDUS Group Decision Center to identify a common set of requirements and develop a plan for moving forward. President Vickers reported he authorized modifications to the current legacy system to accommodate implementation of twice a month payroll with a fifteen-day lag at all campuses effective July 1, 2004. The estimated cost of the legacy system modifications is $17,000. There is a concern regarding the implementation of the payroll lag at all campuses since there is not adequate time for a parallel payroll run prior to go-live. Project and campus staff are aware of the risks. The state continues to be positive about the project and feels they are on track with their modified rollout dates. President Vickers reviewed the draft ConnectND Governance document. ND is the only state in the country that has tried to implement a new system for state government and higher education. Dr. Vickers said a program manager position is included in the draft, however, funding for the position has not been identified.

It was moved by Mr. Stroup, seconded by Mr. Christianson, to adopt the ConnectND governance structure as presented. Andrews, Clayburgh, Kingsbury, Kostelecky, Leitner, Stroup, Christianson, and Kunkel voted aye. The motion carried.

LRSC In-State Tuition Rate Update
Dr. Etemad stated The Board, a year ago, authorized LRSC to offer in-state tuition rates to non-resident students, except for Minnesota reciprocity students, for a one-year trial period. Dr. Etemad reported it went very well. Enrollment information shows an increase in out-of-state students. LRSC is requesting permanent authority to continue offering in-state tuition rates to non-residents, except Minnesota reciprocity students.

It was moved by Mr. Kingsbury, seconded by Ms. Clayburgh, to allow LRSC to continue charging resident tuition rates to non-residents, except for Minnesota students. Andrews, Clayburgh, Kingsbury, Kostelecky, Leitner, Stroup, Christianson, and Kunkel voted aye. The motion carried.

Annual Business Plans for Workforce Training
Mr. Dunn stated he reviewed the annual workforce training business plans and that the plans meet all of the accountability measures developed by the statewide Task Force on Workforce Development and Training and also meet the legislative requirements. He said the respective plans have been approved by the local workforce training advisory boards. He recommended the board approve the business plans.

It was moved by Ms. Kostelecky, seconded by Ms. Andrews, to approve the business plans for Workforce Training. Ms. Clayburgh questioned where the funding comes from and Mr. Dunn responded $1.3 million is from the state general fund and the remaining is from fees for services resulting from training provided and from in-kind contributions by the campuses assigned primary responsibility for workforce training. Mrs. Glatt said the legislative appropriations for workforce training is channeled through the Career and Technical Education Department. Mr. Stroup suggested it was important for the University System to provide strong support for funding in the Career and Technical Education Department budget and to have workforce training a priority in the University System’s legislative agenda. Andrews, Clayburgh, Kingsbury, Kostelecky, Leitner, Stroup, Christianson, and Kunkel voted aye. The motion carried.
DSU Presentation On How Campuses Use Accountability and Assessment Information In Decision Making and Program Improvement

Dr. Hillman stated accountability is a major topic nationally and regionally. Dr. Richard D. Brauhn, Vice President for Academic Affairs-DSU, gave a powerpoint presentation on assessment and accountability for Dickinson State University.

Centers of Excellence Report

Mr. Dunn reviewed the revised draft of the Authority and Responsibilities Regarding Economic Development Centers of Excellence. The draft was prepared by the Joint Committee on Economic Development Centers of Excellence and approved by the ND Economic Development Foundation and the ND State Board of Higher Education. The draft included: Premise; Authority and Responsibilities; Process for Designation “Economic Development Centers of Excellence”; and Process for Applying for Funding for “Economic Development Centers of Excellence”.

It was moved by Ms. Clayburgh, seconded by Ms. Andrews, that the SBHE reviewed the draft report on Authority and Responsibilities Regarding Economic Development Centers of Excellence and concurs with the premise, authority and responsibilities outlined in the report for the various entities involved including the State Board of Higher Education, North Dakota Economic Development Foundation and the Joint Committee on Economic Development Centers of Excellence. It is critical that the centers of excellence established on North Dakota University System campuses are consistent with the mission and vision of the respective institutions. Therefore and consistent with the recommendations in the report, it is essential that the campus presidents, under governing approval by the SBHE, retain the authority and responsibility for designating centers of excellence associated with the respective NDUS colleges and universities.

Mr. Stroup commented that it is not only critical that the centers of excellence are consistent with the mission and vision of the respective campuses but there is specific reference in statute as well. He said that reference is in NDCC Section 15-10-41. He suggested the motion be amended to reflect this provision and to make specific reference to NDCentury Code 15-10-41.”

It was moved by Mr. Stroup, seconded by Mr. Christianson, to amend the motion to reflect the legislative provision and to include “as specified in Century Code 15-10-41”. Andrews, Clayburgh, Kingsbury, Kostelecky, Leitner, Stroup, Christianson, and Kunkel voted aye. The motion carried.

The motion, with the revisions incorporated, then read: the SBHE reviewed the draft report on Authority and Responsibilities Regarding Economic Development Centers of Excellence and concurs with the premise, authority and responsibilities outlined in the report for the various entities involved including the State Board of Higher Education, North Dakota Economic Development Foundation and the Joint Committee on Economic Development Centers of Excellence. The centers of excellence associated with North Dakota University System campuses shall be consistent with the mission and vision of the respective institutions. Therefore and consistent with the recommendations in the report, the campus presidents, under governing approval by the SBHE, have the authority and responsibility for designating centers of excellence associated with the respective NDUS colleges and universities as stated in NDCC Section 15-10-41.
Andrews, Clayburgh, Kingsbury, Kostelecky, Leitner, Stroup, Christianson, and Kunkel voted aye on the original motion as amended. The motion carried.

**Laptop Update and Recommendation**

Ms. Glatt reviewed the options for SBHE consideration for continued use of laptops for electronic transmission of SBHE meeting materials. Ms. Kostelecky recommended the consideration of high-speed line connections for the Board members’ homes.

It was moved by Ms. Clayburgh, seconded by Ms. Andrews, to approve the phased-in approach to full laptop implementation, which would move all SBHE members to an electronic format no later than 2008. All members appointed to the SBHE after July 1, 2004, would be required to use the laptop electronic format including the student member and faculty advisor. All current SBHE members would have the option of using the laptop electronic format or continue to utilize the hardcopy format. In response to a question, Ms. Glatt said the staff would make appropriate accommodations for any future SBHE member who is not able to utilize a laptop computer. The cost will vary depending on the number of SBHE members moving to the laptop. An estimated per person cost is approximately $1,300. It is anticipated at this time that the additional cost would be absorbed within either the NDUS Office budget or through the use of other previous allocated SBHE initiative funds. However, additional funding may be required in the future depending on the long-term cost of computer replacement. Andrews, Clayburgh, Kingsbury, Kostelecky, Leitner, Stroup, Christianson, and Kunkel voted aye. The motion carried.

**VCSU Stage I Request For Grad Program**

Dr. Hillman presented the VCSU Stage I request for a Master of Education and letters of support. The Clarifying Campus Missions Task Force did review the request and while the task force concluded this is the type of proposal the Board should consider, it did not make any formal recommendations.

It was moved by Mr. Christianson, seconded by Ms. Andrews, for approval of VCSU Stage I request for a Master of Education. Andrews, Kingsbury, Kostelecky, Leitner, Stroup, Christianson, and Kunkel voted aye. Clayburgh voted nay. The motion carried.

**Board Policy Manual Revisions**

It was moved by Mr. Christianson, seconded by Ms. Kostelecky, to approve SBHE Policy 302.7 – Budget and Finance Committee on introduction and final passage. Andrews, Clayburgh, Kingsbury, Kostelecky, Leitner, Stroup, Christianson, and Kunkel voted aye. The motion carried. Exhibit A.

It was moved by Mr. Kingsbury, seconded by Ms. Andrews, to approve the following SBHE Policies on second reading and final passage.

- Delegation of Admission Authority – 402
- Degrees Offered – 409
- Appointments – HR 2
- Sick Leave – HR 7
- Holidays – HR 19
- Family Leave – HR 22
• Sick and Dependent Leave; Family Leave – 607.4
• Benefits – 703.2
• Tuition Waivers – 820

Andrews, Clayburgh, Kingsbury, Kostelecky, Leitner, Stroup, Christianson, and Kunkel voted aye. The motion carried. Exhibit B.

It was moved by Mr. Kingsbury, seconded by Ms. Clayburgh, to approve SBHE Policy 605.3 – Nonrenewal, Termination or Dismissal of Faculty on second reading and final passage. Andrews, Clayburgh, Kingsbury, Kostelecky, Leitner, Stroup, and Kunkel voted aye. Christianson voted nay. The motion carried. Exhibit C.

Consent Agendas

Academic Consent Agenda

It was moved by Mr. Christianson, seconded by Ms. Andrews, to approve the following academic consent agenda items. Andrews, Clayburgh, Kingsbury, Kostelecky, Leitner, Stroup, Christianson, and Kunkel voted aye. The motion carried.

• Approve Mayville State University to offer a Bachelor of Arts in Applied Psychology.
• Approval of Mayville State University to terminate the following program in Mathematics:
  Composite Physical Science B.S. Ed.
  Physical Science B.S.
  E-Business minor
  Physics minor
  Project Management minor
• Approve Minot State University for the following new programs:
  Master of Science in Information Systems
  Bachelor of Science in Virtual Business
  Virtual Business Minor
  Approve Minot State University for distance delivery of the following programs:
  Master of Science in Information Systems (MSIS)
  Bachelor of Science in Virtual Business (BSVB)
  Minor in Virtual Business
• Approve Minot State University for a new minor in Gender/Women’s Studies (GWS).
• Terminate North Dakota State College of Science’s Building Management Program.
• Approve North Dakota State University to offer a minor in Criminal Justice.
• Approve North Dakota State University to offer a major and minor in Anthropology.
• Approval for School of Natural Resources at North Dakota State University.
• Approval for School of Food Systems at North Dakota State University.
• Approve North Dakota State University to offer a minor in Fraud Investigation on and off campus.
• Approve North Dakota State University to offer a Graduate Certificate Program in Family Financial Planning (FFP) on and off campus.
• Approve North Dakota State University to offer a Graduate Certificate Program in Gerontology on and off campus.
• Approve North Dakota State University to offer a Master of Science with a Major in Sociology.
• Approve Valley City State University to extend authority for its online Technology Education program from grades 7-12 to K-12.
• Approve University of North Dakota to offer a Master of Science in Applied Economics (MSAE) and for a new degree Master of Science in Applied Economics (MSAE).

It was moved by Mr. Christianson, seconded by Ms. Andrews, to approve North Dakota State University to offer the Doctor of Nursing Practice (DNP). Andrews, Christianson, Clayburgh, Kingsbury, Kostelecky, Leitner, Stroup, and Kunkel voted aye. The motion carried.

Financial and Facility Consent Agenda
It was moved by Mr. Christianson, Seconded by Mr. Stroup, to approve the following financial and facility consent agenda items. Andrews, Christianson, Clayburgh, Kingsbury, Kostelecky, Leitner, Stroup, and Kunkel voted aye. The motion carried.
• Approve FY05 annual Board budget.
• Allocate $20,000 in base funding from the 2003-2005 SBHE Initiative Fund for Project Vital Link.
• Authorize Minot State University-Bottineau Campus to proceed with installation of a biomass-fired boiler to heat the Molberg Center and greenhouse complex. Estimated cost: $227,882. Source of funding: by grants from the ND Forest Service and the ND Department of Commerce. Minot State University-Bottineau Campus will contribute approximately $20,000 of in-kind services.
• Authorize North Dakota State University to proceed with the demolition of the Art (Quonsets) Building
• Authorize University of North Dakota to proceed with repairs to the high-voltage electrical distribution grid. Estimated cost: $150,000. Source of funds: Facility Department plant improvement funds.
• Authorize University of North Dakota to proceed with installation of storm water management infrastructure. Estimated cost: $450,000. Source of funding: Facility Department plant improvement funds.
• Authorize increase spending for the University of North Dakota Steam Plant De-aeration Tank. Project cost will be increased by $450,000 making the current estimated cost of the project $750,000. Source of funding: Steam Plant maintenance funds.
• Authorize University of North Dakota to rename the Rural Technology Center the Norm Skalicky Tech Incubator pending receipt of an additional $1 million gift from Norm Skalicky to the University of North Dakota Foundation for the support of the Center for Innovation.
• Authorize University of North Dakota to acquire real property from the ND State Land Department. Further authorize University of North Dakota to seek approval from the ND legislature. Cost: $73,480 not including incidental closing and advertising costs. Source of funding: University of North Dakota Fellows Foundation.

It was moved by Mr. Christianson, seconded by Ms. Clayburgh, to approve allocation of $400,000 in SBHE undesignated centers of excellence funding as follows: $300,000 to BSC for the National Energy Technology Training and Education Center and $100,000 to WSC for the Oil

It was moved by Mr. Christianson, seconded by Ms. Clayburgh, to approve 2004-2005 program fee increases. Andrews, Clayburgh, Kingsbury, Kostelecky, Leitner, Stroup, Christianson, and Kunkel voted aye. The motion carried.

- **North Dakota State University** – Architecture/Landscape Architecture from $150/semester to .33 of tuition each semester effective fall 2004 for all students.
- **North Dakota State University** – Athletic Training program of $250/semester effective fall 2004 for all students in the 2, 3, and 4 years of the curriculum.
- **North Dakota State University** engineering students in lower division courses from $25/semester to $150/semester effective fall 2004 for new students only.
- **University of North Dakota** – Department of Social Work of $225/semester for full-time undergraduate students and $300/semester for full-time graduate students effective fall 2004 using a phased approach. Fee will be prorated for students enrolled part time.

Financial and Facility Consent Agenda item to authorize **University of North Dakota** to internally cash flow up to $900,000 from internal fund sources for fall term 2004 financial aid to disburse to medical school students for a period not to exceed three months (July-September 2004) was removed from the agenda. Ms. Glatt explained this was no longer necessary due to the delayed CND roll-out schedule at UND.

**Personnel Consent Agenda**

It was moved by Mr. Christianson, seconded by Ms. Andrews, to approve the following personnel consent agenda items. Andrews, Clayburgh, Kingsbury, Kostelecky, Leitner, Stroup, Christianson, and Kunkel voted aye. The motion carried.

- Appoint Rodney Howe to fill the remaining three years of a five-year term on the State Board of Agricultural Research and Education. The five-year term is vacated by Vernon Mayer. Term will run from July 1, 2004, to June 30, 2007.
- Approve presidents’ 2004-2005 contracts.

**Board Self Assessment**

Responses of the 2004 SBHE Self Assessment survey were reviewed.

**Personnel Consent Agenda cont.**

It was moved by Mr. Kingsbury, seconded by Ms. Andrews, to approve a 4% salary increase for Dr. Michel Hillman/Vice Chancellor for Academic and Student Affairs effective July 1, 2004. Andrews, Clayburgh, Kingsbury, Kostelecky, Leitner, Stroup, Christianson, and Kunkel voted aye. The motion carried.

**Board Retreat**

Mr. Christianson announced the Board Retreat will be held in Medora on July 14-15, 2004. Mr. Bob Ash will be the facilitator.
PUBLIC COMMENT

Announcements
Mr. Christianson again announced the Board Retreat will be in Medora on July 14-15, 2004.

Review of Board Meeting
There were no comments.

Mr. Christianson presented President Kunkel a gavel for serving the past year as President of the State Board of Higher Education.

The meeting adjourned at 3:50 p.m.

[Signature]
Executive Secretary

[Signature]
President

9-16-04

Date
1. There shall be a standing Board Budget and Finance Committee consisting of the Board President and Vice-President and one additional Board member with knowledge of or interest in fiscal matters appointed by the Board President to an annual term beginning July 1 and ending June 30. The Board President or a Committee member appointed by the President shall serve as Committee Chair.

The Chancellor shall serve as an ex-officio member of the Committee.

2. The Committee shall meet at the call of the Chair as necessary to fulfill its duties and responsibilities.

3. The Committee shall:
   
a. Make recommendations to the Board concerning annual and biennial budget guidelines and spending priorities, annual salary increase policy for faculty and staff, tuition, room, board and fee guidelines, and biennial capital budget spending guidelines for the university system, including priorities for new construction and major renovation;

b. Review and approve the annual line item budget for the system office;

c. Develop an annual and biennial budget for the Board including Board initiatives, programs, and related activities, and present to the Board for approval;

d. Develop and recommend to the Board a budget and financial related reporting format to be used by the Board and system office;

e. Develop and recommend to the Board funding mechanisms consistent with the Board’s Strategic Plan, other state priorities and institutions’ defined missions;

f. Review and recommend to the Board responses to financial, performance, internal control and compliance and other audits of the university system;

g. Direct major studies regarding financial matters of the university system as may be approved by the Board; and

h. Perform other related duties as may be assigned by the Board.
1. Institutions in the North Dakota University System offer the following certificates and degrees:

**Certificate of Completion.** A certificate awarded for the completion of:
   1. a non-credit course of study, or
   2. an undergraduate course of study of less than 16 credit hours, or
   3. a graduate course of study of less than 8 credit hours.

**Certificate Program.** A certificate program is a specialized course of study requiring at least 16 credit hours at the undergraduate level or 8 credit hours at the graduate level.

**Diploma Program.** A diploma program represents completion of a prescribed program of two years or less in a vocational-technical field with some general education course work.

**Associate in Arts (A.A.) and Associate in Science (A.S.).** These associate degrees consist primarily of diverse, introductory-level courses in general education and professional areas and require at least 60 semester credit hours. Required courses for the A.S. degree place greater emphasis on the sciences than is true of the A.A. Both degrees prepare students for transfer to baccalaureate programs and meet General Education Transfer Agreement (403.7) requirements. They do not designate a specific program or major.

**Associate in Applied Science (A.A.S.).** The Associate in Applied Science degree combines vocational-technical coursework with general education coursework. In the vocational-technical specialty field, the degree prepares students for jobs. The general education area provides broader education than would be available in a certificate or diploma program with at least 15 credit hours of general education required, but typically does not meet the 36 credit hour General Education Transfer Agreement (403.7) requirements. The A.A.S. requires a minimum of 60 semester credit hours and it may designate a specific field of study.

**Bachelor of Applied Science (B.A.S.).** The bachelor of applied science degree combines vocational-technical coursework with general education. This degree requires a minimum of 120 semester hours of credit, the first 60 of which would typically be an Associate in Applied Science degree and, at least 30 upper division credit hours. The specific course of study would be developed through articulation agreements. This degree requires a total of 36 general education credit hours usually through a combination of AAS and BAS level work and, as such, not all general education credits would necessarily meet the general education transfer agreements (403.7) requirements.

**Bachelor of Arts (B.A.) and Bachelor of Science (B.S.).** The bachelor's degrees require a
minimum of 120 semester credit hours, comprised of academic courses in general education which meet the general education transfer agreement (403.7) requirements, major, minor, concentration, and/or elective areas. The B.A. is designed to give academic breadth in the liberal arts, usually with a major in the humanities or social sciences. The B.S. prepares students in disciplines such as the sciences and mathematics, or in the professions.

Bachelor of Accountancy (B.Acc.), Bachelor of Architecture (B.Arch.), Bachelor of Business Administration (B.B.A.), Bachelor of Fine Arts (B.F.A.), Bachelor of Landscape Architecture (B.L.A.), Bachelor of Music (B.M. or B.Mus.), Bachelor of Science in Aeronautics (B.S.A.), Bachelor of Science in Agriculture and Biosystems Engineering (B.S.A.B.E.En.), Bachelor of Science in Applied Physics (B.S.A.P), Bachelor of Science in Athletic Training (B.S.A.T.), Bachelor of Science in Atmospheric Sciences (B.S.At.Sc.), Bachelor of Science in Chemical Engineering (B.S.Ch.E.), Bachelor of Science in Chemistry (B.S.Chem.), Bachelor of Science in Civil Engineering, (B.S.C.E.), Bachelor of Science in Clinical Laboratory Science (B.S.CLS.), Bachelor of Science in Computer Science (B.S. C.Sci.), Bachelor of Science in Community Nutrition (B.S.CN.), Bachelor of Science in Construction Engineering (B.S.Con.E.), Bachelor of Science in Criminal Justice Studies (B.S.CJS), Bachelor of Science in Cytotechnology (B.S.Cyto.), Bachelor of Science in Dietetics (B.S.D.), Bachelor of Science in Education (B.S.Ed.), Bachelor of Science in Electrical Engineering (B.S.E.E.), Bachelor of Science in Environmental Geoscience (B.S.E.G.), Bachelor of Science in Environmental Geology and Technology (B.S.EGT.), Bachelor of Science in Fisheries and Wildlife Biology (B.S.FWB), Bachelor of Science in Geological Engineering (B.S.G.E.), Bachelor of Science in Geology (B.S.Geol.), Bachelor of Science in Industrial Engineering and Management (B.S.I.E.Mgt.), Bachelor of Science in Industrial Technology (B.S.I.T.), Bachelor of Science in Manufacturing Engineering (B.S.Mfg.E.), Bachelor of Science in Mechanical Engineering (B.S.M.E.), Bachelor of Science in Nursing (B.S.N.), Bachelor of Science in Occupational Safety and Environmental Health (B.S.OSEH.), Bachelor of Science in Pharmacy (B.S. in Pharm.), Bachelor of Science in Physical Education (B.S.P.E.), Bachelor of Science in Physical Education and Exercise Science (B.S.PEXS), Bachelor of Science in Public Administration (B.S.P.A.), Bachelor of Science in Rehabilitation and Human Services (B.S.R.HS.), Bachelor of Science in Recreation and Leisure Services (B.S.RLS.), Bachelor of Science in Social Work (B.S.S.W.), Bachelor of Social Work (B.S.W.). These degrees require a minimum of 120 semester credit hours and prepare students for professional activity in the areas named in the degrees.

Bachelor of General Studies (B.G.S.), Bachelor of Arts (B.A., no major), and Bachelor of University Studies (B.U.S.). These degrees require a minimum of 120 semester credit hours. Each degree signifies that the student has completed an individually designed course of study that does not correspond directly to a standard academic or professional major curriculum. These degrees must meet the general education transfer agreement (403.7) requirements.

Master of Arts (M.A.) and Master of Science (M.S.). The master's degrees require a minimum of 30 semester credit hours in courses that carry graduate credit. The M.A. is usually in the humanities or social sciences. The M.S. is usually in the sciences, mathematics, or the professions.
Master of Architecture (M.Arch.), Master of Arts in Teaching (M.A.T.), Master of Business Administration (M.B.A.), Master of Education (M.Ed.), Master of Engineering (M.Eng.), Master of Environmental Management (M.E.M.), Master of Music (M.M.), Master of Music Education (M.M.E), Master of Occupational Therapy (M.O.T), Master in Physician Assistant Studies (M.P.A.S.), Master of Public Administration (M.P.A.), Master of Science in Aviation (M.S.A.), Master of Science in Geological Engineering (M.S.GeoE), Master of Science in Space Studies (M.S.S.S), Master of Science in Technology Education (M.S.T.E.), Master of Social Work (M.S.W), Master of Physical Therapy (M.P.T.). These master's degrees require a minimum of 30 semester credit hours in courses that carry graduate credit. Each degree signifies advanced education in the field named in the degree title.

Master of Fine Arts (M.F.A.). The master's degree in fine arts is the terminal degree in visual arts and requires a minimum of 60 semester credit hours beyond the baccalaureate degree.

Education Specialist (Ed.S.). The Education Specialist degree requires a minimum of 60 semester credit hours in courses that carry graduate credit. The degree is a professional degree for certification in an educational field.

Specialist's Diploma (Spec.Dip.). The Specialist's diploma requires 54 semester credits beyond the baccalaureate degree. It recognizes advanced preparation for practice in a service field.

Doctor of Physical Therapy (D.P.T.). The Doctor of Physical Therapy degree requires a minimum of 91 semester credits beyond the bachelor degree.

Doctor of Education (Ed.D.). The Doctor of Education degree requires a minimum of 90 semester credit hours beyond the bachelor's degree in courses that carry graduate credit. It recognizes the completion of academic preparation for professional practice in education.

Doctor of Musical Arts (D.M.A.). The Doctor of Musical Arts requires a minimum of 90 semester credit hours beyond the bachelor's degree.

Doctor of Arts (D.A.), Doctor of Medicine (M.D.), Doctor of Pharmacy (Pharm.D.), Juris Doctor (J.D.). The D.A., M.D., and J.D. degrees, each with its own requirements, are terminal degree programs that prepare individuals to teach at the postsecondary level, to take residency training in medicine, to practice pharmacy, or to practice law, respectively.

Doctor of Philosophy (Ph.D.). The Doctor of Philosophy degree requires a minimum of 90 semester credit hours beyond the bachelor's degree in courses that carry graduate credit, with a substantial component of independent research.

First-Professional Degree. Law (J.D.), Medicine (M.D.), Pharmacy (Pharm. D.) An award that requires completion of a program that meets all of the following criteria: (1) completion of the academic requirements to begin practice in the profession; (2) at least 2 years of college work prior to entering the program; and (3) a total of at least 6 academic years of college work to complete the degree program, including prior required college work plus the length of the professional program itself.
2. The Board authorizes each institution with teacher education programs to award, under Policy 403.8, major equivalencies in areas where they have Board approved majors and minor equivalencies in areas where they have Board approved minors.

3. An option represents completion of a select group of courses within an approved academic program. Options may also include specializations, emphases and concentrations. An option is not an academic program and Board approval is not required to transcript an option.

4. The Board authorizes each institution to award Certificates of Completion. Certificate and Degree programs are authorized as follows:

**Bismarck State College**
Certificate programs, Diploma programs, A.A., A.A.S., A.S.

**Dickinson State University**

**Lake Region State College**
Certificate programs, Diploma programs, A.A., A.A.S., A.S.

**Mayville State University**

**Minot State University**

**Minot State University-Bottineau Campus**
Certificate programs, Diploma programs, A.A., A.A.S., A.S.

**North Dakota State College of Science**
Certificate programs, Diploma programs, A.A., A.A.S., A.S.

**North Dakota State University**

**University of North Dakota**
NORTH DAKOTA STATE BOARD OF HIGHER EDUCATION
POLICY MANUAL

SUBJECT: ACADEMIC AFFAIRS          EFFECTIVE: February 22, 2002

Section: 402. Delegation of Admission Authority

1. The Board delegates to the institutions authority to adopt policies and procedures
governing admission of students to the institutions and programs consistent with Board
policy.

2. Admission decisions must be consistent with federal and state laws and Board policy
regarding nondiscrimination.

3. In addition to other authority delegated under Policies 402.1 and 402.2 or other policies,
institutions may adopt policies and procedures restricting admission or readmission based
on a determination that a person is a threat to the safety or security of the campus
community, other people or property. Institution policies or procedures shall include
criteria for making such determinations and a process for appeal or reconsideration.

Valley City State University  

Williston State College  
Certificate programs, Diploma programs, A.A., A.A.S., A.S.

4. Institutions are authorized to transcript, list and award Certificates of Completion consistent with their Board approved missions without specific Board approval for each certificate. Each institution shall keep a current list of credit based Certificates of Completion on file in the System office. The transition of a Certificate of Completion to a Certificate or Degree program requires Board approval.

5. Board approval is required for all new Certificate programs (not Certificates of Completion), Diploma programs, and Degree programs as they are to appear on student records and catalog announcements. The Chancellor shall adopt procedures governing requests for approval.

6. Campuses should use NCA Higher Learning Commission guidelines to define terminal degrees.

Amendment SBHE Minutes, January 20, 2000  
Amendment SBHE Minutes, April 4, 2000.  
Amendment SBHE Minutes, April 18, 2002.  
NORTH DAKOTA UNIVERSITY SYSTEM
HUMAN RESOURCES POLICY MANUAL

2. APPOINTMENTS

2.1 - Staff Employee - A person employed primarily for work other than teaching, research, or holding a position the institution's president has excluded from the broadbanding system by designation.

2.2 - Regular Staff Employee - A person who satisfactorily completes a probationary period, (See Section 4) who is appointed to a continuing position, and who is employed at least seventeen and one-half hours per week if hired before August 1, 2003 or twenty hours per week if hired on or after August 1, 2003, and at least five months twenty weeks each year. The policies and benefits included in this manual shall apply to all such persons except when specifically excluded by statute or these policies (See Section 10, for example).

2.3 - Temporary Staff Employee - A person employed in a position of intermittent or limited duration not to exceed one year, a seasonal position, or in a position working less than seventeen and one-half hours per week if hired before August 1, 2003, or less than twenty hours per week if hired on or after August 1, 2003. The policies and benefits included in this manual shall not apply to temporary employees except as noted. A temporary staff employee may be terminated at any time with or without cause.

2.4 - Employees do not earn annual or sick leave benefits while on temporary status. However, when a temporary employee is changed to regular status, credit will be given for the employee's prior length of service for the purpose of determining the annual leave accrual rate.

2.5 - Full-time Staff Employee - A regular staff employee employed for forty hours or more per week.

2.6 - Part-time Staff Employee - A regular staff employee employed for less than forty hours per week.

History:
Amend. Sec. 2.2, 2.3, 2.3.1, 2.4, 2.5 SBHE Minutes, June 20-21, 1991, pg 6143.
Amend. Sec. 2.3.1 SBHE Minutes, June 24, 1993, pg 6374.
Amend. Sec. 2.1, 2.2, 2.3, 2.3.1, 2.4, 2.5, 2.6 SBHE Minutes, March 20, 1997, pg 6744.
Amend. Sec. 2.1 SBHE Minutes, April 17, 1998, pg 6874.
7.

SICK LEAVE

7.1 - Sick leave, including maternity, is a benefit granted by the institution to staff employees and is not a benefit considered to be earned by the employee such as annual leave. It is an insurance benefit allowing employees to build a reserve of days they can use for their extended illnesses. Sick leave may be used by an employee when:

a. The employee is ill or injured and is unable to work.

b. The employee has an appointment for the diagnosis or treatment of a medically related condition.

c. The employee wishes to attend to the needs of an eligible family member who is ill or to assist them in obtaining other services related to their health or well-being. Eligible family members include the employee's spouse, parent (natural, adoptive, foster, and step-parent); child (natural, adoptive, foster, and step-child); or any other family member who is financially or legally dependent upon the employee or who resides with the employee for the purpose of the employee providing care to the family members. Sick leave used for these purposes shall not exceed forty hours per calendar year.

7.1.1 - Employees who use sick leave are responsible for informing their supervisors prior to the start of their scheduled work period. The employing department may require satisfactory medical verification as deemed necessary by the department head prior to the payment of sick leave.

7.2 - Sick leave is granted on the basis of continuous service from date of employment for benefited staff employees.

7.3 - Sick leave for full-time benefited staff employees accrues based on rate per hour at a rate equivalent to 12 days per year. Sick leave for benefited part-time employees working seventeen and one half twenty hours or more per week is granted on a prorated basis. Sick leave accumulation is unlimited.

7.4 - Sick leave may be granted to employees who become ill while on vacation provided satisfactory medical proof of such illness is submitted.

7.4.1 - When a holiday occurs during a paid sick leave the holiday is not considered a day of sick leave.

7.5 - An employee with at least ten continuous years of state employment who leaves the employ of the state, is entitled to a lump-sum payment equal to one-tenth of the pay attributed to the employee's unused sick leave accrued under this Section 7 and in accordance with N.D.C.C. Section 54-06-14. The pay attributed to the accumulated, unused sick leave must be computed on the basis of the employee's salary or wage at the time the employee leaves the employ of the state.
7.6 - At the discretion of the department head and the concurrence of the appropriate administrative officer, an employee may be granted sick leave in advance of the accumulation thereof. If an employee terminates employment, any sick leave taken in advance of accumulation shall be deducted from the employee's last paycheck.

7.7 - Accrued sick leave is transferable from any state agency to the employing institution if employment with the institution occurs within one calendar year of termination of service with the state agency.

History:
Amend. 7.1, 7.2, 7.3, 7.5, 7.6, 7.7, 7.8, 7.9, 7.10 SBHE Minutes, June 20-21, 1991, pg 6143.
Amend. Sec. 7.1 SBHE Minutes, June 27, 1988, pg 5731.
Amend. Sec. 7.5, 7.6 SBHE Minutes, June 25, 1992, pg 6253.
Amend. Sec. 7.1, 7.1.1, 7.2, 7.3, 7.6, 7.7, 7.8, 7.9 SBHE Minutes, March 20, 1997, pg 6744.
19. HOLIDAYS

19.1 - Employees of all state institutions of higher learning shall observe the following legal holidays:

- New Year's Day
- Martin Luther King Day
- President's Day
- Good Friday
- Memorial Day
- Independence Day
- Labor Day
- Veteran's Day
- Thanksgiving Day
- Christmas Day

Employees of state institutions of higher learning shall also observe every day appointed by the President of the United States or by the Governor of this state for a public holiday.

19.2 - If such holiday falls on Saturday, the preceding Friday shall be the holiday or if the holiday falls on Sunday, the Monday following shall be the holiday.

19.3 - Institution offices must be closed at twelve noon on December 24, Christmas Eve Day, which is an office closure and not a holiday; however, if December 25, Christmas Day, falls on a Saturday, institution offices must be closed all day on the preceding Friday, which is then a holiday as indicated in Section 19.1 19.2.

19.4 - Operational units of the institution shall close or operate with a minimum staff on observed holidays. Employees who because of work schedules have a regular day off that coincides with a holiday shall have an additional day off with pay at the convenience of the institution.

19.5 - Special religious holidays may be observed with the advance approval of the department head. Such time shall be charged to accumulated annual leave.

History:
22. FAMILY LEAVE

22.1 - Family leave is an unpaid leave of absence available to all eligible employees for the birth, adoption, or foster placement of a child; or for the serious health condition of the employee, the employee's parent, child, or spouse. Consistent with applicable law and upon notice to the employee by the employing entity or election by the employee, family leave may be concurrent with paid sick or annual leave.

22.2 – An “eligible employee” means an individual employed by the state for at least twelve months, and who has worked at least one thousand two hundred fifty hours for the state over the previous twelve months.

22.3 - Family leave used for the birth, adoption, or foster care placement of a child must begin within twelve months of the event.

22.4 - Certification may be required by the institution to verify the existence of a serious health condition including date of commencement and probable duration of illness.

22.5 - The maximum length of available leave for eligible employees is twelve weeks in a twelve month period that begins with the first day of leave. Leave for birth or adoption of a child may be taken intermittently if approved by the employing entity; leave because of the serious health condition of the employee, a parent, child or spouse may be taken intermittently if medically necessary. A married couple are not limited to a total of twelve weeks if both are employed by the state; each is entitled to twelve weeks. Reasonable and practical notice must be provided to the agency.

22.6 - When leave is completed, the employee must be returned to the same position, or a position with equivalent compensation and benefits. If a reduction in force would have caused the position to be eliminated, this reinstatement does not apply.

22.7 - Employees utilizing family leave will be provided health benefits at the same level and coverage as if the employee had not taken leave.

History:
Amend. Sec. 22, 22.1, 22.2 SBHE Minutes, June 20-21, 1991, pg 6143.
Amend. Sec. 22 SBHE Minutes, June 24, 1993, pg 6374.

(P.NDUS Human Resources Policies folder/HRP – 22)
Amend. Sec. 22.5 SBHE Minutes, March 20, 1997, pg 6744.
NORTH DAKOTA STATE BOARD OF HIGHER EDUCATION
POLICY MANUAL

SUBJECT: PERSONNEL

EFFECTIVE: July 1, 2001

Section: 607.4 Sick and Dependent Leave; Family Leave

1. Employees excluded from the broadbanding system, other than faculty and members of the academic staff, are entitled to sick or dependent leave and family leave under the same terms and conditions governing sick or dependent leave and family leave for employees subject to the broadbanding system according to the NDUS Human Resource Policy Manual.

2. Each institution shall adopt policies governing paid sick or dependent leave for faculty and members of the academic staff.

3. Eligible faculty or other members of the academic staff are entitled to family leave.

Family leave.

a. Family leave is an unpaid leave of absence available to eligible employees for the birth, adoption, or foster placement of a child; or for the serious health condition of the employee, the employee's parent, child, or spouse.

b. Eligible employees are those individuals employees, including faculty and other members of the academic staff, whose employment is not limited in duration, who are employed for an average of at least twenty hours per week, and who have been employed by the institution for at least one year, or, for faculty and other members of the academic staff employed on nine or ten month contracts, for at least one contract term or academic year.

c. Family leave used for the birth, adoption, or foster care placement of a child must begin within twelve months of the event.

d. The institution may require medical documentation to verify the existence of a serious health condition including date of commencement and probable duration of illness.

e. The maximum length of available leave for eligible full time employees is sixteen twelve weeks in a twelve-month period, beginning on the first day of leave. Eligible part-time employees are limited to twelve weeks. Leave for birth or adoption of a child may be taken intermittently if approved by the employing entity; leave because of the serious health condition of the employee, a parent, child or spouse may be taken intermittently if medically necessary. A married couple are not limited to a total of twelve weeks if both are employed by the state; each is entitled to twelve weeks. Reasonable and practical notice must be provided to the agency.
f. When leave is completed, the employee must be returned to the same position, or a
position with equivalent compensation and benefits. If a reduction in force would have
caus[ed the position to be eliminated, this reinstatement does not apply.

g. Employees utilizing family leave will be provided health benefits at the same level and
coverage as if the employee had not taken leave.

4. Institutions shall in all cases comply with the Americans With Disabilities Act and
Rehabilitation Act of 1973. Institution officials shall investigate and respond appropriately
to requests for accommodations to enable employees to perform essential job functions.

5. This policy is effective July 1, 2001.

**History:** New policy. SBHE Minutes: December 21, 2000.
SUBJECT: COMPENSATION  EFFECTIVE: March 30, 2001

Section: 703.2 Benefits

1. Permanent employees who are 18 or more years of age and who work 20 hours or more per week for five or more months at least twenty weeks each year shall participate in the Public Employees Retirement Plan unless such employees are eligible for and choose to participate in another authorized retirement plan.

2. Faculty, professionals, administrators and other eligible employees as defined by the plan shall participate in the TIAA/CREF plan the Board has adopted unless excepted by law or prior agreement.

3. University system employees may participate in any deferred compensation plan approved by the Chancellor.

4. Health insurance for university system employees is provided under the state uniform group insurance program governed by NDCC chapter 54-52.1.

5. University system employees are covered by the state employee group life insurance policy.

6. All university system employees shall participate in the social security program as provided by law.

7. A “benefited employee” means an employee, including probationary employees, who works at least 20 hours per week and 20 weeks each year.

HISTORY: N.D.C.C. 54-52, See also Staff Personnel Policy Manual Section 10.1.  
SBHE Minutes, December 6-7, 1984, page 5308.  
NORTH DAKOTA STATE BOARD OF HIGHER EDUCATION
POLICY MANUAL

SUBJECT: FINANCIAL AFFAIRS EFFECTIVE: June 21, 2001

Section: 820 Tuition Waivers

1. In addition to waivers provided under subsection 2 of this policy, institutions may adopt procedures providing for waiver of tuition and fees. Institutions are encouraged to use this authority to promote enrollment of a culturally diverse student body, including members of Indian tribes and economically disadvantaged students, for the benefit of all students and the academic community, to promote enrollment of graduate students and research, and for other purposes consistent with an institution’s mission. Institutions may grant partial waivers or waive non-resident or resident tuition. Institutions may also waive tuition and fees as part of a program guarantee under which the institution guarantees that graduates or program completers are minimally qualified for at least entry-level positions in an occupation or job classification.

2. Institutions shall waive tuition or fees as follows:

   a. Tuition and fees of the student member of the Board;

   b. Pursuant to N.D.C.C. §§ 15-10-18.2 and 15-10-18.3, tuition and fees, except fees charged to retire outstanding bonds, shall be waived for dependents of resident veterans who were killed in action, died of service-related causes, were prisoners of war or declared missing in action, subject to the limitations stated in those statutes;

   c. Pursuant to N.D.C.C. §§ 15-10-18.4 and 15-10-18.5, tuition and fees, except those charged to retire outstanding bonds, shall be waived for survivors of firefighters or peace officers who died as a direct result of injuries received in the performance of official duties, subject to the limitations stated in those statutes;

   d. Pursuant to N.D.C.C. ch. 37-07.1, tuition shall be waived for qualified members of the national guard, subject to the limitations stated in that chapter and national guard rules; and

   e. Employee tuition waivers, including student activity fees, for university—system employees employed on at least a half-time basis a “benefited employee,” as that term is defined in Policy 703.2. The waiver shall be limited to three academic classes during each calendar year. Employees may be released from work for one class each academic term with approval of the employee’s supervisor or department head; approval shall be granted if it does not interfere with completion of the employee’s essential job duties and the essential work of the institution. This waiver does not apply to continuing education or other self-supporting programs, except as provided by institution policy. Each institution shall adopt a policy defining circumstances under which the institution will
grant employee tuition waivers, within the limits of this policy, for credit courses offered through continuing education or other self-supporting programs.

3. Institutions shall record tuition waivers as a reduction of estimated income and prepare an annual report showing the number and type of tuition waivers and dollar amounts.

Amendment SBHE Minutes, April 4, 2000.
NORTH DAKOTA STATE BOARD OF HIGHER EDUCATION
POLICY MANUAL

SUBJECT: PERSONNEL

EFFECTIVE: November 16, 2001

Section: 605.3 Nonrenewal, Termination or Dismissal of Faculty

1. A probationary appointment may be terminated, without cause, with notice to the faculty member that the appointment will not be renewed.

a. Notice shall be given:

i. Not later than March 1 of the first academic year of service if the appointment expires at the end of that academic year; or, if a one-year appointment terminates during an academic year, at least three months in advance of its At least 90 days prior to termination during the first year of probationary employment at the institution.

ii. Not later than December 15 of the second academic year of service if the appointment expires at the end of that academic year; or, if an initial two-year appointment terminates during an academic year, at least six months in advance of its At least 180 days prior to termination during the second year of probationary employment at the institution.

iii. At least twelve months before the expiration of an appointment one year prior to termination after two or more academic years of service probationary employment at the institution.

b. A department chair, dean or other person authorized under institution policies to give such notice shall provide written notice of the decision, including a reference to the policy section pursuant to which the action is taken. The faculty member may within ten calendar days after receipt of the notice request a reconsideration by the deciding body or individual. The faculty member may incorporate a request for mediation in the request for reconsideration. The institution shall respond in writing to the faculty member within ten calendar days after receipt of the request.

2. An institution may terminate a probationary appointment effective at the end of any contract term, with no less than 90 days notice of nonrenewal based upon a determination by the Board that a financial exigency exists which requires such action at an institution or institutions, or upon determination by the institution that such action is necessary because of loss of legislative appropriations, loss of institutional or program enrollment, consolidation of organizational units or program areas or elimination of courses. The notice of nonrenewal shall include a reference to the policy section pursuant to which the action is taken. When a probationary appointment is terminated pursuant to this subsection, the provisions of
subsection 1 do not apply.

3 A special appointment terminates at the end of the term stated on the contract and may be renewed at the discretion of the institution.

4. A faculty member on probationary or special appointment may, within twenty calendar days after receipt of notice of nonrenewal of a probationary appointment or termination of a special appointment or, if the faculty member requests reconsideration or the parties agree to mediation under paragraph b of subsection 1, within twenty calendar days of receipt of the results of the reconsideration or conclusion of mediation, request review of the decision and a hearing by the Standing Committee on Faculty Rights by filing written notice with the deciding body or individual and the chair or the senior member of the Standing Committee on Faculty Rights. The request for review may be based on allegations that the institution failed to comply with applicable policies or gave the decision inadequate consideration, or that the nonrenewal decision violated (a) academic freedom, (b) rights guaranteed by the United States Constitution, or (c) terms of the employment contract or other written agreement. The allegation must be supported by a specification of the reasons why the decision violated these rights and a summary of the evidence supporting the allegation(s). The institution shall, within twenty calendar days of receipt of the written notice and specifications, provide a written response to the faculty member and the chair of the Standing Committee on Faculty Rights.

5. A faculty member may terminate an appointment effective at the end of the term of the appointment by giving notice in writing at the earliest possible opportunity, but not later than May 15, or one month after receiving notification by the institution of the terms of an appointment for the coming academic year, whichever date occurs later. The faculty governance structure at an institution may recommend procedures permitting a faculty member to request a waiver of this deadline in case of hardship or for other good cause defined by those procedures. An institution may provide that failure without reasonable cause by a faculty member to return a contract by the time set forth in the contract shall constitute a resignation. Any return time so established by the contract shall be reasonable.

6. An institution may terminate an appointment of a tenured faculty member following a determination by the Board that a financial exigency exists which requires such action at an institution or institutions, or upon determination by the institution that such action is necessary because of loss of legislative appropriations, loss of institutional or program enrollment, consolidation of academic units or program areas, or elimination of courses. In such cases, significant consideration shall be given to length of service and tenure status in the retention of faculty members within the affected academic unit or program area, curriculum requirements, professional achievements, breadth of competence, and equal employment opportunity. A tenured faculty member terminated pursuant to this subsection shall be given written notice of termination, including the reason(s) for the action, at least twelve months prior to the date of termination. Each institution shall establish procedures for implementing this policy.

a. A tenured faculty member given notice of termination under this section may request that the institution circulate his or her vita to other academic units or program areas within the
institution. In addition, the institution shall ensure that fair consideration is given to the faculty member, during the period of the terminal appointment, for vacant academic positions in the employing institution for which the faculty member is qualified. The faculty within any academic unit or program area shall have the major responsibility in determining qualifications for appointment therein. If a tenured faculty member accepts an appointment in a different academic unit or program area, the faculty member shall retain his or her tenure status, subject to approval of the Board.

b. A position terminated under this section shall not be filled by a replacement within two years, unless the released faculty member has been offered appointment with tenure and a reasonable time within which to accept or decline it.

c. The provisions of section 605.4 do not apply when a tenured faculty member is terminated under this subsection. The faculty member may, however, within twenty calendar days of receipt of notice of termination, file a request for review under processes established at the institution for that purpose.

7. In accordance with section 305.1 of these policies, the faculty governance structure at each institution shall adopt procedures by which faculty participation is solicited before notice of termination is given any tenured faculty member pursuant to subsection 6. Faculty participation shall be solicited concerning:

a. The extent to which there are grounds for termination of tenured appointments;

b. Judgments determining where within the overall academic program termination of appointments may occur; and

c. The procedure and criteria for identifying the individuals whose appointments are to be terminated.

8. A faculty member may be dismissed at any time for adequate cause. Adequate cause means: (a) demonstrated incompetence or dishonesty in teaching, research, or other professional activity related to institutional responsibilities, (b) continued or repeated unsatisfactory performance evaluations and failure to respond in a satisfactory manner to a recommended plan for improvement; (c) substantial and manifest neglect of duty, (d) conduct which substantially impairs the individual’s fulfillment of his or her institutional responsibilities or the institutional responsibilities of others, (e) a physical or mental inability to perform assigned duties, provided that such action is consistent with laws prohibiting discrimination based upon disability, or (f) significant or continued violations of Board policy or institutional policy, provided that for violations of institutional policy the institution must notify the faculty member in advance in writing that violation would constitute grounds for dismissal, or the institutional policy must provide specifically for dismissal as a sanction.

a. An authorized institution officer shall give written notice of intent to dismiss and specify the reasons for the action. The officer may, in the officer’s discretion, also schedule a meeting with the faculty member to discuss the action. The notice shall state that the officer will forward to the institution president a recommendation to
dismiss unless the faculty member, within twenty calendar days of receipt of the notice, requests a hearing before the Standing Committee on Faculty Rights. If the faculty member does not make a timely request for a hearing, the president, upon receipt of a recommendation to dismiss, shall make a decision and provide written notice and reasons for the action to the faculty member and the chair or senior member of the Standing Committee within ten business days of receipt of the recommendation.

b. A faculty member may, within ten business twenty calendar days of receipt of notice of intent to forward to the institution president a recommendation to dismiss, request a formal hearing before the Standing Committee on Faculty Rights, pursuant to section 605.4.

c. Pending a final decision on dismissal for adequate cause, the faculty member may be suspended by the institution's president or assigned to other duties in lieu of suspension, if it is reasonably determined that it is in the best interests of the faculty member or the institution to do so. The faculty member's salary and fringe benefits shall continue during a period of suspension. Salary and benefits shall be terminated upon a final decision by the institution president to dismiss the faculty member following conclusion of proceedings at the institution.

9. If the administration determines that the conduct of a faculty member, although not constituting ground for termination or dismissal, provides reasonable cause for imposition of a sanction, the administration shall inform the faculty member in writing of the sanction and the reasons for the sanction. A sanction means any punishment, detriment, loss of reward, restriction of privileges or other coercive measure imposed as a formal disciplinary measure. If the sanction is imposed following a hearing by the Standing Committee on Faculty Rights and based on the hearing record, there is no further review. If the sanction is imposed without a hearing, the faculty member may request review upon filing with the institution's president and chair or senior member of the Standing Committee on Faculty Rights a request for review and specifications of reasons within twenty calendar days of receipt of notice of imposition of a sanction. The institution shall have twenty calendar days following receipt of the request for review to file a response. The Standing Committee on Faculty Rights shall review the matter according to procedures established at the institution for that purpose and issue a written report within twenty calendar days of receipt of the institution's response and may make a recommendation to resolve the dispute, stating its reasons. The institution shall make its final decision upon reconsideration and provide written notice of that decision to the faculty member within ten days of receipt of the report and recommendation of the Standing Committee on Faculty Rights. Upon filing of a request for review pursuant to this subsection, imposition of the sanction shall be suspended pending a final decision of the institution's president following conclusion of those proceedings.

**HISTORY:** Replaces portions of Policy 605, SBHE Minutes April 25, 1995, page 6554.
Amendment SBHE Minutes, September 19, 1996, page 6681.
Amendment SBHE Minutes, February 18, 2000.
APPLICATION
FOR THE SALE OR REMOVAL OF A PUBLIC BUILDING
WHICH IS PROPERTY OF THE STATE OF NORTH DAKOTA
As provided in Chapter 54-21-27 N.D.C.C.

Name of Department or Agency making the application:
NORTH DAKOTA STATE UNIVERSITY

Name of Building:
Art (Quonsets) Building

Location of Building:
Corner of Boley Drive and 12th Avenue North
NDSU Main Campus
Fargo, ND

Please state in detail the reason for the sale or removal of this building (use extra sheets, if necessary):
This building is a former Navy Reserve Armory built in 1948. NDSU obtained use of it in 1990, and it has been the location of the Art Department, a student art gallery, an architecture studio, and archaeology lab since that time. The building is in poor condition, has outlived its usefulness, and renovating it would not be cost effective. The departments/areas currently located here will be relocated to the newly renovated Northern School Supply Building in downtown Fargo for the Fall 2004 semester. (Photographs are attached for informational purposes.)

State Fire and Tornado Insurance amount(s) for the building(s):

<table>
<thead>
<tr>
<th>Building Name</th>
<th>State Fire &amp; Tornado Property #</th>
<th>Insurance Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Art Building</td>
<td>76</td>
<td>$1,131,630</td>
</tr>
</tbody>
</table>

North Dakota State University

By: [Signature]
Title: President
Date: 5/19/04

State Board of Higher Education

By: [Signature]
Title: SBHE President
Date: 6-17-04

State Fire Marshall
Date