The State Board of Higher Education met Thursday, November 17, 2011, in the Skoal Room, VCSU Student Center, 230 Viking Drive, Valley City, ND. The Board President called the meeting to order at 8:45 a.m. CT.

Members present:
- Mr. Grant Shaft, President
- Mr. Duaine Espegard, Vice-President
- Dr. Terry Hjelmstad
- Mr. Robert Vallie, Student Member
- Ms. Janice Hoffarth, Staff Senate Advisor
- Dr. John Girard, Faculty Advisor

Staff members present:
- Mr. William G. Goetz, Chancellor
- Dr. Michel Hillman, Vice Chancellor for Academic & Student Affairs
- Ms. Laura Glatt, Vice Chancellor for Administrative Affairs
- Dr. Marsha Krotseng, Vice Chancellor for Strategic Planning/Exec. Director of CTEC
- Mr. Randall Thursby, Chief Information Officer
- Mr. Pat Seaworth, General Counsel
- Mr. Bill Eggert, Director of Internal Audit and Risk Assessment
- Ms. Debra Anderson, Public Affairs & Marketing Director
- Ms. Erika Lorenz, Secretary

Presidents/Dean participating:
- Dr. Larry Skogen, BSC
- Dr. Ken Grosz, DCB
- Dr. D.C. Coston, DSU
- Dr. Mike Bower, LRSC
- Dr. Gary Hagen, MaSU

Board President’s Report
Mr. Shaft thanked faculty, staff and student volunteers from the University of North Dakota (UND), Dakota College at Bottineau (DCB), Lake Region State College (LRSC), North Dakota State University (NDSU), and the NDSU Extension Service who assisted with the flood clean up in Minot.

He said five North Dakota State College of Science (NDSCS) employees received a campus award for their work on energy savings projects. The group’s efforts resulted in NDSCS receiving $635,000 in grants for energy improvements and equipment upgrades. NDSCS expects to see a decrease in energy consumption of approximately 8 to 10 percent.

Mr. Shaft said DCB and Williston State College (WSC) partnered this fall to offer a commercial driver’s license (CDL) training program in Bottineau. The program filled immediately, underscoring the demand for this training, which will be offered to Bottineau-area residents again in the spring.

Mr. Shaft congratulated the following institutions:
Bismarck State College (BSC) on receiving a five-year $1.9 million grant from the Title III Strengthening Institutions Program to develop a data management and integration project.

Lake Region State College on receiving $200,000 from the Department of Labor to expand the services of the Adult Learning Center to provide career advisement at existing sites in Devils Lake and Rugby and possibly at new sites in Langdon and New Rockford.

Mayville State University (MaSU) on receiving a $1 million gift, the university’s largest single gift to date, for scholarships to help non-traditional students achieve their educational goals.

The North Dakota Center for Persons with Disabilities – a Minot State University (MiSU) Center of Excellence – on receiving an $840,000 grant from the U.S. Department of Health and Human Services to support its work on autism spectrum disorders and to improve services for children and youth.

North Dakota State University on receiving a $2 million gift as part of the athletic department’s **Building the Competitive Edge** $32 million campaign.

Valley City State University (VCSU) on being selected by the NAIA as a “Champions of Character 5-Star Institution.” VCSU has earned this distinction every year since 2002-03. This year, the Vikings earned the highest score in the state.

Dickinson State University (DSU) for hosting a tremendously successful, sixth-annual Theodore Roosevelt Symposium and for going “tobacco-free” as the result of a proposal developed collaboratively by DSU’s Faculty, Staff and Student Senates.

- **Association of Community College Trustees (ACCT) conference update**
  Mr. Lembke said he and Mr. Shaft attended the ACCT Conference. He said most of the sessions focused on budget reductions. He said he attended a session on selecting a CEO and has provided his notes to President Shaft. He said the community colleges in North Dakota are very responsive to industry needs. Mr. Lembke has been asked to be the North Dakota representative to the ACCT.

- **EPSCoR Conference update**
  Mr. Shaft and several state legislators attended the EPSCoR Conference. Many of the presentations focused on technology and how it relates to the needs of the energy industry. He said Apple, Inc. made a presentation on the iTunes University. He would like to have a similar presentation at the SBHE retreat.

- **Western Interstate Commission for Higher Education (WICHE) Conference update**
  Chancellor Goetz said he is pleased to serve on the WICHE Policy Committee. He said much of the conference focused on technology, governance, and a looming challenge in teacher preparation, professional development, and teacher shortage. Chancellor Goetz said he believes addressing teacher shortage and professional development should be a priority in the state.

- **Update on Chancellor Search Timeline and Chancellor Search Profile**
  Mr. Shaft said the initial Chancellor Search Committee meeting was held on October 18th in Bismarck. He said the timeline for the search is very aggressive and the profile and timeline have been vetted through the committee and the search consultants. The final meeting of the committee is anticipated to be in February 2012 with SBHE action possibly in March. In response to a question from Mr. Smith regarding the minimum educational requirements for the Chancellor’s position, Mr. Shaft said the search consultants advised keeping the applicant pool as broad as possible.
It was moved by Lembke, seconded by Smith, to approve the Chancellor Search timeline and profile. Haugen, Espegard, Smith, Diederich, Lembke, Vallie, Hjelmstad, and Shaft voted aye. The motion carried.

- **Update on Chancellor Search Committee membership**
  Mr. Shaft said the Staff Senate representative on the Chancellor Search Committee is no longer able to fulfill the obligation. As he has discussed with Ms. Hoffarth, he will not be recommending the appointment of a new staff member to the committee. He believes Ms. Hoffarth can represent staff through her SBHE position.

- **Update on Legal Services Committee**
  Mr. Shaft said the Legal Services Committee has concluded its business. He said due to comments received from campuses, the committee has asked Mr. Seaworth to draft a policy that would provide for periodic review of general counsel by an outside party. His suggestion was that an outside review be completed every three years. He said there was discussion regarding the possible consolidation of some services (i.e. contract services) but there is no consensus among campuses. This will be added to the efficiencies review and will be vetted through the Chancellor’s Cabinet and the SBHE. He said the committee found no need to change the system under which legal services are delivered to the NDUS.

- **Update on UND logo/nickname**
  Mr. Shaft reported the legislature passed Senate Bill 2370 and it has been signed by the Governor. This bill repeals legislation mandating that UND retain the Fighting Sioux nickname and logo and adds a moratorium on adopting a new nickname and logo until 2015. He said no SBHE action is required. Mr. Shaft said it may be beneficial for the SBHE to have a discussion with the Attorney General regarding pending lawsuits as well as negotiation issues between the NCAA and the Ralph Englestad Arena. Mr. Shaft said SBHE leadership will meet with the Attorney General between now and the next SBHE meeting and will then arrange a meeting with the Attorney General and the full SBHE either at the next meeting or at an independent meeting. Mr. Haugen suggested that the December SBHE meeting be changed from a conference call to a face-to-face meeting.

**Chancellor’s Report**
Chancellor Goetz said the NDUS relationship with the growing number of veterans and their families deserves special attention. As a result, Mr. Lonnie Wanger, North Dakota Veteran’s Affairs Commissioner, met with the Chancellor’s Cabinet. Opportunities for grant resources through US Department of Veteran’s Affairs, AmeriCorp, and the U.S. Department of Commerce will be explored and Ms. Rhonda Schauer, State Approving Agency Director, will be working in this area with North Dakota Veterans’ Affairs.

Chancellor Goetz said the legislature approved a $2 million general fund appropriation to WSC to address campus issues related to economic activity in the Williston area. President Nadolny is developing a plan for use of the funding including a backup generator, daytime security, and addressing employee retention strategies. WSC will be asking the SBHE to address the ongoing need for security and employee retention in the next budget cycle as the special session funding received was one-time funding. SBHE members asked that a copy of the planned use of the funds be distributed to them for information, when available.
Chancellor Goetz said he also authorized a legislative request from NDSCS to change revenue bond authorization from the Schultz Hall to the Riley Hall renovation project.

Chancellor Goetz said the View Book will no longer be printed. As a cost saving measure, a post card will be distributed with information on how to electronically access the View Book. He commended Ms. Anderson for her work on this.

North Dakota Student Association Report
Mr. Woodworth reported the last NDSA meeting was held on October 21st and 22nd at NDSU. The next meeting is November 18th and 19th. He said SBHE members are welcome to attend NDSA meetings. NDSA discussion focused on student health insurance. A resolution was passed that included recommending a student member serve on the student health insurance committee and what the policies should contain. Mr. Woodworth said Ms. Olivia Spencer, NDSU student, is the suggested NDSA student member. NDSA also discussed next fall’s Higher Education Awareness Day which is a coordinated effort among campuses to highlight achievements in higher education. Area legislators are invited to campuses to discuss issues.

Mr. Espegard said he agrees with the addition of a student member on the health insurance committee. Dr. Hillman said Ms. Spencer will serve on the committee.

Council of College Faculties (CCF) Report
Dr. Girard said the CCF is supportive of the efficiencies review and would like to participate in the discussion with the SBHE. He said CCF is concerned about, and interested in, the new funding model and would like to ensure that faculty have a voice in the process. Ms. Smith, CCF President, said she will be working on the Faculty Compensation Committee along with Dr. Girard and Mr. Reynold Miller.

Staff Senate Report
Ms. Hoffarth said the UND and NDSU Staff Senate held collections on their campuses for victims of the Minot flooding. The campuses delivered two busloads of supplies to Minot State University. She introduced Mr. Anthony Willer, DSU, as the new Staff Senate President. Mr. Willer presented an overview of the tuition waiver survey conducted by the Staff Senate. He said there will be a forthcoming resolution in support of the online tuition waivers. Mr. Willer said Ms. Hoffarth and Ms. Carla Sivesind, BSC, will be serving on the Compensation Report Committee.

Mr. Espegard requested any changes to language regarding tuition waivers be brought before the SBHE. Ms. Hoffarth said the current policy allows for employee waiver of three academic classes during each calendar year. The Staff Senate is looking specifically at waivers for online classes which are not included. A large number of faculty and staff members currently take out of state classes rather than drive to a campus to attend on-campus courses. She said Staff Senate is willing to work with the NDUS, campuses, and the SBHE to ensure employees receive this benefit without impacting institutions.

**BOARD BUSINESS**

Approve September 15, 2011, meeting minutes  
It was moved by Lembke, seconded by Haugen to approve the September 15, 2011, meeting minutes. Diederich, Haugen, Lembke, Espegard, Vallie, Smith, Hjelmstad, and Shaft voted aye. The motion carried.
Board Policy Manual Revisions

Introduction and first reading

HR Policy 20 – Leave

It was moved by Lembke, seconded by Smith, to approve introduction and first reading of HR Policy 20 – Leave. Lembke, Smith, Haugen, Diederich, Vallie, Espegard, Hjelmstad, and Shaft voted aye. The motion carried.

Policy 611.10 – Theft and Fraud

It was moved by Smith, seconded by Vallie, to approve introduction and first reading of Policy 611.10 – Theft and Fraud. Diederich, Smith, Haugen, Vallie, Lembke, Espegard, Hjelmstad, and Shaft voted aye. The motion carried.

Second reading and final adoption

Section 900 Facilities Policies

It was moved by Lembke, seconded by Hjelmstad, to approve recommended additional amendments on second reading and final adoption of Section 900 Facilities Policies as amended, effective immediately. Vallie, Espegard, Diederich, Haugen, Smith, Lembke, Hjelmstad, and Shaft voted aye. The motion carried.

Policy 441 – Degree, Credit, Non-Degree Credit and Non-Credit Activities

It was moved by Lembke, seconded by Vallie, to approve second reading and final adoption of Policy 441 – Degree, Credit, Non-Degree Credit and Non-Credit Activities, effective immediately. Smith, Diederich, Espegard, Lembke, Haugen, Vallie, Hjelmstad, and Shaft voted aye. The motion carried.

Policy 508.2 – North Dakota Academic and Career and Technical Education Scholarships

It was moved by Lembke, seconded by Smith, to approve second reading and final adoption of Policy 508.2 – North Dakota Academic and Career and Technical Education Scholarships, effective immediately. Diederich, Haugen, Lembke, Espegard, Vallie, Smith, Hjelmstad, and Shaft voted aye. The motion carried.

Policy 805.1 – Tuition

It was moved by Hjelmstad, seconded by Vallie, to approve second reading and final adoption of Policy 805.1 – Tuition, effective immediately. Haugen, Espegard, Smith, Diederich, Lembke, Vallie, Hjelmstad, and Shaft voted aye. The motion carried.

Policy 805.3 – Application, Course, Program and Other Miscellaneous Fees

It was moved by Lembke, seconded by Espegard, to approve Policy 805.3 – Application, Course, Program and Other Miscellaneous Fees. Lembke, Smith, Haugen, Diederich, Vallie, Espegard, Hjelmstad, and Shaft voted aye. The motion carried.

In response to a question from Mr. Vallie regarding campus concerns on the program fee policy, Mr. Seaworth said the concerns focused on additional language and requirements being added to the policy, thereby creating more potential compliance and audit issues.

Mr. Vallie expressed concern regarding the confusing nature of separate tuition and fees. He said he believes SB2351 is a positive step but the Policy 805.3 may have a few remaining issues regarding terminology.

Mr. Shaft said a SBHE subcommittee will be formed to review student fees. He appointed Dr. Diederich as chair of the committee. Mr. Shaft will send out a letter appointing other members and outlining scope of responsibilities. He said the preliminary issues to be examined are: transparency, recognizing unique costs, campus flexibility in the allocation of revenues, accountability in the use of fees, a simplified model, an appropriate review and approval process, promote student affordability, and consistent
administration and definitions across the NDUS. Mr. Espegard said class fees provide flexibility for campuses but students should receive benefits for fees that are paid. He would not want to see a reserve of class fees built over time or fees being allocated to areas that do not benefit students.

Consent Agendas

It was moved by Smith, seconded by Lembke, to approve the following Financial and Facility Consent Agenda items:

- Ratify Chancellor’s interim approval authorizing NDSCS to seek a change in revenue bond authority from Schultz Hall to Riley Hall of $4 million during the 2011 special legislative session.
- Contingent upon Centers of Excellence Commission approval of a budget modification request for the CBRP, approve NDSU request to: 1) Apply for and accept funding for the “fit-up” of the Center for Biopharmaceutical Research and Production (CBRP) in the Batcheller Building at the NDSU Research and Technology Park (RTP) at an estimated cost of up to $1,750,000; 2) Proceed with the project, upon approval and receipt of the cash matching funds from the Greater Fargo Moorhead Economic Development Corporation (GFMEDC) to Centers of Excellence Program in the amount of $2,000,000; and 3) Seek Budget Section approval.
- Approve NDSU request for authorization to proceed with the removal of three buildings from the NDSU campus: 1) Scab Research Greenhouse; 2) Dry Bean Research Greenhouse; and 3) Turf/Floral Greenhouse.
- Approve UND request for additional authorization of $220,000 from $425,000 to $635,000 for general renovation work including electrical and mechanical upgrades to the existing Facilities Management Steam Plant, to be funded from steam plant replacement funds derived from steam sales.
- Approve UND request for increase of $10,000 from $11,200,000 to $11,210,000 for UND Education Building Addition and Renovation to complete close-out and warranty support work, utilizing up to $10,000 in gift funds; furthermore, authorize UND to seek interim budget section approval of the increase per NDCC 48-01.2-25.
- Approve WSC request approval to correct the 2011-12 full-time college, activity and technology fees, assuming a 15 credit-hour load per semester. These fees are charged based on the same methodology as tuition.
- Approve WSC request for a change in project scope from completion of Phases I and II of the campus branding project at an estimated cost of $3.0 million to completion of Phase I only at a cost not to exceed $1.8 million to be paid from $1.0 million in permanent oil tax trust funds and $800,000 from donations and grants; further, seek Budget Section approval for change in project scope per NDCC 48-01.2-25.

Espegard, Smith, Haugen, Vallie, Lembke, Diederich, Hjelmstad, and Shaft voted aye. The motion carried.

It was moved by Smith, seconded by Diederich, to approve the Chancellor’s interim action authorizing WSC to seek state funding of $3,811,626 during the 2011 special legislative session to address campus needs related to changing economic and social conditions in the Williston area, contingent on the SBHE receiving an in depth use of proceeds. Smith, Diederich, Espegard, Lembke, Haugen, Vallie, Hjelmstad, and Shaft voted aye. The motion carried.
It was moved by Lembke, seconded by Vallie, to approve the following Academic Consent Agenda items:

- Approve NDSU request to offer a new program: Minor in Leadership Studies to be offered via Tri-College
- Approve NDSU request to offer a new program: Minor in Speech, Language, Hearing Sciences to be offered via Tri-College
- Approve UND request for an institutional change: Institutional Change: North Dakota Simulation, Teaching, and Research Center for Healthcare Education (ND STAR)
- Approve VCSU request to offer a new program: B.S. in Athletic Training

Diederich, Haugen, Lembke, Espegard, Vallie, Smith, Hjelmstad, and Shaft voted aye. The motion carried.

Budget, Audit and Finance Committee (BAFC) Report

Minard Hall update

Mr. Shaft said that BAFC held an executive session regarding Minard Hall and is satisfied with the progress of litigation.

Mr. Mike Ellingson, NDSU Facilities Director, presented a brief update on the Minard Hall construction.

It was moved by Espegard, seconded by Smith, to approve the NDSU request to proceed with completion of the Minard Hall at an estimated cost of $22,874,300 to be funded with $17.5 million in state general fund appropriation, $500,000 gift funds, and $4,874,300 future 2011-13 deficiency appropriation. Espegard, Smith, Haugen, Vallie, Lembke, Diederich, Hjelmstad, and Shaft voted aye. The motion carried.

It was moved by Espegard, seconded by Diederich, to approve the NDSU request for authorization to seek Budget Section approval for increased spending authorization for the Minard Hall from $18 million to $22,874,300, an increase of $4,874,300, with the intent that up to this amount (less any recovered from insurance or legal action) be ultimately funded by a state general fund deficiency appropriation per NDCC 48-01.2-25. Haugen, Espegard, Smith, Diederich, Lembke, Vallie, Hjelmstad, and Shaft voted aye. The motion carried.

It was moved by Espegard, seconded by Diederich, to approve the NDSU request to carry a deficit fund balance on the Minard Hall project as a temporary funding source after the original $18,000,000 of appropriated authority has been expended, until a state general fund deficiency appropriation for NDSU is authorized during the 2013 legislative session. Lembke, Smith, Haugen, Diederich, Vallie, Espegard, Hjelmstad, and Shaft voted aye. The motion carried.

It was moved by Espegard, seconded by Smith, to approve the NDSU request to take any necessary action, including litigation, to seek recovery of damages, expenses and costs resulting from the collapse of Minard Hall, with any recovery being used to offset the ongoing costs of the Minard Hall project or, if the project is complete at the time of any recovery, to reimburse the State of North Dakota for the costs of the project to the extent that recovery dollars are available, following consultation with the Chancellor. Espegard, Smith, Haugen, Vallie, Lembke, Diederich, Hjelmstad, and Shaft voted aye. The motion carried.
MAJOR POLICY DISCUSSIONS & SPECIAL REPORTS

Update on Tribal College Collaboration Report

Dr. Hillman presented an overview of the Tribal College Collaboration report. He said HB 1566 from the 2009 legislative session requires the presentation of the Tribal College Collaboration to the legislature. He said Tribal and private college faculty are encouraged to give input on common course numbers and articulation and transfer. Mr. Shaft requested a copy of the national report referred to in the Tribal College Collaboration report be furnished to the SBHE. Dr. Hillman said Tribal College Presidents are invited to an annual, joint meeting with the Chancellor’s Cabinet. Dr. Hillman recognized NDSU for appointing a Tribal College Liaison and UND for instituting a faculty exchange with Turtle Mountain Community College. He thanked the SBHE for its leadership role in this area.

Dr. David Gipp, United Tribes Technical College (UTTC) President, said the collaborative relationships between the Tribal Colleges and the NDUS are very beneficial and presented a brief overview of the history of tribal colleges in North Dakota as well as programs offered. He said support for non-native students who attend tribal colleges is very important, noting that 10-15% of the students at tribal colleges are non-native and that some students at tribal colleges may be economically disadvantaged.

Mr. Shaft said he would like to explore the possibility of having a SBHE meeting at UTTC. Dr. Gipp said the tribal college would welcome the opportunity to host the SBHE for a future meeting.

Present draft of maximizing results through efficiencies

Mr. Shaft said one of his primary goals is to improve the relationship with the legislature and a number of steps have been taken to that end. He said finding efficiencies has been an issue for the legislature and the SBHE needs to take a greater leadership role in this area. He said future funding requests should be coupled with finding efficiencies on campuses. Efficiencies should be defined as cost savings that do not adversely affect campuses and students. He said there should be a focus on efficiencies on a system-wide basis and within individual institutions.

Mr. Shaft summarized the proposal and said he will meet with the Chancellor’s Cabinet on November 30th to seek their input. He wants to receive feedback from all constituencies including students, faculty, and staff. The efficiencies piece is intended to compliment the 2013-15 needs based funding request for the NDUS.

Dr. Girard said faculty support the initiative and would like to be more involved in the discussion. Mr. Shaft said faculty will be engaged in the process but his intent is to accomplish the efficiencies initiative very quickly with reports being received by the SBHE as early as March 2012.

In response to a question from Mr. Haugen regarding whether the efficiencies initiative links to the strategic plan, Mr. Shaft said all efficiency items will be tied to items in the strategic plan. Mr. Haugen expressed concern regarding the cost to institutions to hire additional architect/engineer services to review capital projects on behalf of the SBHE. Mr. Shaft said he believes there are cost savings to be found within capital projects, thereby allowing the completion of more projects, and there will be further discussion with the Chancellor’s Cabinet on this issue.

Chancellor Goetz assured the Presidents there will be discussion at the next Cabinet meeting. Mr. Shaft said Presidential input will be considered.
Ms. Aimee Copas, NDUS Academic Affairs Associate, presented background and an overview of Common Core Standards. She said that according to the Lumina Foundation successful students will need many of the skills that are acquired through general education classes. The Common Core State Standards will concentrate on English, language arts, and math. She said North Dakota and forty-four other states, including the District of Columbia, have adopted the Common Core Standards. Ms. Copas said setting core competencies in English, language arts, and Math should reduce the number of students who have a need for developmental classes.

Approve guiding principles for performance funding, proposed process, and timeline with input from legislative and executive branches

Mr. Espegard said a new funding model will need to be created for the next budget cycle, as the model the Governor is developing will not yet be ready. He said one issue for the budget will be the addition of performance funding as equity, parity, and affordability are no longer to be included. Mr. Shaft said the SBHE needs to take a leadership role in developing the appropriate performance measures, and seeking input from the Governor and legislature.

Dr. Krotseng said the guiding principles are based on discussions from the SBHE and Chancellor’s Cabinet retreats, the performance funding milestones have been vetted through surveys of the Chancellor’s Cabinet and SBHE members. She said the process and timeline will be accomplished through a working group appointed by the Chancellor.

It was moved by Espegard, seconded by Diederich, to proceed with the performance funding process, acceptance of the guiding principles, the timeline as identified, and the naming of a work committee by the Chancellor.

Mr. Vallie suggested that legislative input be included in the performance funding process.

In response to a question from Mr. Smith regarding the success of performance funding in other states, Dr. Krotseng responded Pennsylvania has achieved additional funding and movement towards goals as a result of their model but results in other states are mixed. Mr. Smith said he would like to see an agenda provided to legislature and stakeholders for input. Mr. Shaft said there is a lack of definition as to what the legislature means by "performance."

Dr. Girard said he supports the principle but he is concerned about easily obtained, quantitative data. It may be beneficial to examine quantitative data at the system level and focus on educational quality measures.

It was moved by Espegard, seconded by Diederich, to amend the previous motion and proceed with the performance funding process, acceptance of the guiding principles, the timeline as identified, and the naming of a performance funding work committee by the Chancellor, with an agenda formed based on input from constituencies including the Governor, the legislature, faculty, and staff and adopt the amended motion. Vallie, Espegard, Diederich, Haugen, Smith, Lembke, Hjelmstad, and Shaft voted aye. The amended motion carried.

It was moved by Espegard, seconded by Smith, for the performance funding group proceed with the identified milestones in Completion: Associate degrees, Bachelor's degrees, and undergraduate certificates awarded annually (all institutions), Graduate degrees awarded annually (Minot State,
VCSU), Graduate and Professional degrees awarded annually (NDSU, UND); Outcomes: Graduates employed in their field of study or enrolled in graduate/professional school within one year of graduation (all institutions); Retention: Students retained from first to second year (four-year universities), Students retained from first to second semester (community colleges). Smith, Diederich, Espegard, Lembke, Haugen, Vallie, Hjelmstad, and Shaft voted aye. The motion carried.

In response to a question from Mr. Vallie regarding limitations on the milestones contained in the motion, Mr. Shaft said there is flexibility allowed for the inclusion of additional milestones.

Update on student fee information presented to the Higher Education Committee
Ms. Glatt said mandatory fees include any fee that all students are required to pay (i.e. ConnectND and NDSA fees). The fees included in the materials are for Fall 2012 and matched with FY2011 revenues to provide the legislature the most current information possible. She said it has been very challenging to gather comparable data from campuses because of the differences in campus fees and set-up structures. The NDUS is continuing to pursue these issues in working with campuses.

Demonstration of NDUS tuition and fee estimator Web site per SB2351
Mr. Thursby said the cost calculator was required by SB2351 in the last session. The application has been demonstrated to the Interim Higher Education Committee. He said the application is a tool for easily comparing tuition and mandatory fees between institutions. He said the application being presented goes beyond what is required in the legislation and there is significant calculation involved in comparing fees between institutions. The process resulted in discussion regarding best practices in the calculation of fees; this may result in some simplification in the assessment of fees. Mr. Thursby demonstrated the NDUS tuition and fee estimator Web site.

In response to a question from Mr. Espegard, Mr. Thursby said the current fee calculator does not include program fees in the comparison though one can see the cost by program fee separately on another page. The intent is to add those fees at a later time in the comparison calculations. Dr. Girard suggested that in the future on-line fees be added into the Web site as well.

Mr. Espegard suggested that the Web site information also be distributed to North Dakota high schools.

Mr. Smith complimented Mr. Thursby not only on the Web site but also on the work he has done on ConnectND.

Approve discontinuing specific annual accountability measures
Chancellor Goetz recommended discontinuing Accountability Measures EE7, EE8, FRS2, FRS4, FR5, FR9, FR10, and a change to EE4, beginning with the 2011 Accountability Report. Chancellor Goetz said the accountability measures are no longer required a result of legislative action regarding the new funding model as well as an internal review.

It was moved by Smith, seconded by Lembke, to approve discontinuation of Accountability Measures EE7, EE8, FRS2, FRS4, FR5, FR9, FR10, and a change to EE4. Diederich, Haugen, Lembke, Espegard, Vallie, Smith, Hjelmstad, and Shaft voted aye. The motion carried.

College and university presidents’ briefings
Dr. Bower said the NDUS tuition and fee estimator web site will be very important for students and families.
Dr. Grosz thanked Mr. Thursby for his work with ConnectND.

Dr. Skogen said BSC hosted a two-day Energy Symposium and there are many important and exciting changes in the future.

Dr. Nadolny said the Williston School District anticipates the need to build one new school each year for the next 10 years. Williston voters have approved a 1% sales tax that will include building a wellness center on the WSC campus. The WSC Alumni Foundation is working on a project that includes two 64 unit apartment complexes to address WSC housing needs of employees. Dr. Nadolny is currently looking for current data that will allow WSC to plan rather than react.

Dr. Bresciani said the NDSU Research I building addition, which will be funded from external sources, will allow for leasing research space. He said part of the addition will be left “unfinished” so participants can customize space to meet needs.

Dr. Bresciani said NDSU anticipates adding the Student Success Tuition Model to its tuition model next fall. The model is based on best practices from institutions throughout the US. Currently, tuition is based on students taking 12 credits per semester which leads to a longer completion time. The new model will encourage students to take 15 credits per semester. This is intended to discourage students from working many hours and attending part time which is not in the best economic interest of students. Dr. Bresciani said this will be a revenue neutral process. Mr. Bruce Bollinger, NDSU Vice-President for Finance and Administration, said the model incorporates a differential tuition model which includes high cost program fees into a differential tuition rate, allowing for more transparency in education costs for parent and students.

Mr. Shaft said he wants campus presidents to have the opportunity to engage in more direct dialog with SBHE leadership on a more regular basis. He has asked the Chancellor to consult with and recommend a method for accomplishing this.

Public Comment
Mr. Shane Gerbert, State Government Affairs Coordinator, UND Student Government, presented a Student Government resolution in support of continuing the discussion on student fees and thanked the SBHE for their work toward making student fees more transparent for students.

Announcements
Chancellor Goetz commended NDUS Staff for their ongoing work on initiatives including efficiencies and performance funding.

The meeting adjourned at 2:04 p.m.

Future Board Meetings
- December 15 – Conference Call
- January 19 – Conference Call
- February 23 – NDSCS
- April 12 – WSC