North Dakota State Board of Higher Education
Minutes of the January 30, 2014, Meeting
At Lake Region State College

Members present:

Dr. Kirsten Diederich, Board Chair
Mr. Grant Shaft
Ms. Kari Reichert
Dr. Doug Munsiki, Faculty Adviser
Mr. Duaine Espegard (on phone)

Dr. Terry Hjelmstad, Vice Chair
Mr. Devin Hoffarth
Ms. Janice Hoffarth, Staff Adviser
Ms. Kathleen Neset
Mr. Don Morton

Interim Chancellor present: Dr. Larry C. Skogen

Institution presidents present:

Dr. Ken Grosz, Dean, DCB
Dr. D.C. Coston, President, DSU
Dr. Doug Darling, President, LRSC
Dr. Gary Hagen, President, MaSU
Dr. John Richman, President, NDSCS
Dr. Dean Bresciani, President, NDSU
Dr. Robert Kelley, President, UND
Dr. Margaret Dahlberg, Vice President of Academic Affairs, VCSU
Mr. David Clark, Interim President BSC
Dr. David Fuller, President, MiSU
Dr. Raymond Nadolny, President, WSC

NDUS senior staff present:

Dr. Lisa Feldner, Vice Chancellor for Information Technology and Institutional Research
Dr. Sonia Cowen, Interim Vice Chancellor for Academic and Student Affairs
Mr. Murray Sagsveen, Chief of Staff and Director of Legal Services
Ms. Laura Glatt, Vice Chancellor for Administrative Affairs
Ms. Linda Donlin, Director of Communications and Media Relations
Ms. Kristie Hetzler, Executive Assistant to the State Board of Higher Education
Dr. Tanya Spilovoy, Director of Distance Education and State Authorization
Mr. Tim Carlson, Chief Auditor
Mr. Rick Tonder, Director of Facilities Planning
Approval of Minutes
Morton moved, seconded by Hoffarth, to approve the following Board minutes:

- SBHE November 21, 2013
- SBHE November 26, 2013
- SBHE January 17, 2014

Morton, Hoffarth, Espegard, Neset, Hjelmstad, Diederich, Shaft, and Reichert voted yes. The motion carried.

Approval of Board agenda
Hoffarth moved, seconded by Hjelmstad, to approve the Board agenda. Hoffarth, Hjelmstad, Espegard, Neset, Morton, Diederich, Shaft, and Reichert voted yes. The motion carried.

Board Chair Report
Board Chair Diederich stated the Board is completely committed to student success. Board Chair Diederich thanked several individuals for their hard work and commitment to higher education.

Interim Chancellor’s Report
Interim Chancellor Skogen informed Board members the format for the Cabinet and Board meeting may change. He asked that Board members email him their preference to whether they want to meet the same day as the Board meeting or meet on a separate day.

Interim Chancellor Skogen introduced Rick Tonder, Director of Facilities Planning. Mr. Tonder presented his concept for a system-wide master plan. Mr. Tonder plans to meet with the Chancellor’s Cabinet to review the draft and final report. The final report should be complete in May 2014. Board members asked that Mr. Tonder look into a process that tracks the deferred maintenance dollars and to review the process approving capital projects. They also questioned where efficiency falls into the guiding principles and whether or not the system-wide plan needs to play into the over-arching strategic plan.

Interim Chancellor Skogen introduced Ms. Lamboley, Director of Student Affairs. She presented on the North Dakota Higher Education Consortium for Substance Abuse Prevention (NDHECSAP). Ms. Lamboley stated NDEHCSAP has begun essential local, state, and regional networking. As a result three developments have occurred:

- An increase in campus networking and evidence-based practices for ND campuses,
- A single point of contact for higher education to network in ND, and
- An opportunity for the NDHECSAP to partner at the state level and be involved in statewide initiatives.

Ms. Lamboley indicated that drug and alcohol data will continue to be collected every other year from the institutions and reviewed for trends (there is currently data from 1994 through 2012).

Ms. Lamboley presented the Board members an update on current mental health services for students:
• After-hours crisis intervention and emergency services
• Education and training for campuses
• Committees/behavioral intervention teams
• Psychiatric support

Interim Chancellor Skogen asked that Dr. Fuller, President of Minot State College, and Dr. Grosz, Dean of Dakota College of Bottineau, update the Board on the possible realignment of the two institutions. Dr. Fuller and Dr. Grosz indicated community members, faculty, and students do not support ending the current cooperative relationship. They will work together, along with Interim Chancellor Skogen, to update their current agreement.

Interim Chancellor introduced Dr. Spilovoy, Director of Distance Education and State Authorization. She presented an update on ND state authorization of post-secondary degree-granting institutions. Dr. Spilovoy indicated that, to date, 290 institutions have registered, 40 have been granted exemptions, and 8 are authorized to operate in the state. She also reported on the State Authorization Reciprocity Agreement (SARA) and how it could benefit ND institutions that deliver distance education in a number of other states. Dr. Spilovoy then presented a cost-benefit analysis of utilizing more open educational resources instead of hardcover textbooks as a cost-saving measure for students and the institutions. Interim Chancellor Skogen indicated that it is important that campus faculty support this. Board members are concerned about academic freedom and how difficult it will be to have all institutions come to an agreement on these matters; it should be uniform system wide.

Mr. Shaft expressed concern that the Board is not being informed on important issues. He indicated his concerns about not being informed on the UND REAC building issue and changes in senior personnel at the system office. Ms. Neset agreed. Board Chair Diederich indicated that past violations on open records has made her hesitant to communicate with other board members. Interim Chancellor Skogen informed the board that he will work with the system’s communication specialist on ways to get the information to Board members without violating open record laws.

Minot State University Presidential Search
Dr. Hjelmstad reported that IVN interviews are being set up and the committee will narrow the pool to four candidates. There will then be face-to-face interviews, when the committee will recommend three candidates to be interviewed by the Board in person on February 27, 2014.

North Dakota Student Association
Ms. Jennifer Vetter stated that the association is looking into student affordability and why North Dakota students graduate with such high debt.

Council of College Faculties
Dr. Doug Musnki stated the council has some serious concerns in regards to Constitutional Measure 3 and the intellectual property policy (SBHE Policy 611.2). He asked the Board members to put the first ever state-wide faculty conference on their calendars. He is hoping that the conference can be held at UND, in the Alerus Center. He announced the dates for the conference will be around October 16-18, 2014. Dr.
Munski announced the election for the faculty adviser on the Board will occur in February, and the new CCF Board representative will begin in August 2014.

Staff Senate Report
Ms. Janice Hoffarth thanked Dickinson State College for their staff, student, and faculty councils’ efforts in sharing information between the councils. She indicated that each of the councils is inviting members from the other councils to their meetings and hopes other campuses follow the same practice. Ms. Hoffarth announced her re-appointment as the Staff Adviser for the Board. Ms. Hoffarth requested information and guidance in regards to the communications about the Constitutional Measure 3 vote in November 2014.

Personal Comment by Mr. Grant Shaft
“Madam Chairperson, I would like to note the passing of Dr. Donald Naismith, a person of significant importance to me, my family and the University of North Dakota.

Dr. Naismith earned a B.S. in Mechanical Engineering from the University of North Dakota (UND) and was commissioned as a Second Lieutenant in the US Air Force and was honorably discharged from the reserves as Captain in 1976. He returned to UND and earned a master’s degree in 1959 and, in 1966, a Ph.D. in Nuclear Engineering from Iowa State University. He assumed the chair of UND’s Mechanical Engineering Department in 1969, a position he held until his retirement in 1995.

Dr. Naismith was an unselfish servant to his profession and the University of North Dakota. He received many national and state awards throughout his distinguished career. In 1994, members of the Society of Women Engineers endowed the Donald P. Naismith Scholarship at UND. Don was a strong advocate for the women in his life. Karen Nyberg, a UND mechanical engineering graduate, SWE member and NASA astronaut gave UND’s Summer, 2013, commencement speech from the International Space Station. She recognized Dr. Naismith for his contribution to her “outstanding education and the excellent preparation that she received.

Dr. Naismith and his wife, Shirley, were avid fans of all UND athletics and pillar citizens in the Grand Forks community.

Thank you.”

Public Comment
Robert Kringler, Executive Commissioner of Governmental Relations with NDSU student government, shared some thoughts from a student’s perspective on the Pathways plan. He believes it is very clear we all agree on the merit of increasing student success in our state. It is important we are setting up our students for success, which will lead to a reduction in remediation courses and increased graduation rates. He is concerned there will be potential unintended side effects with the admissions index in particular and suggested that time be allowed to analyze data. Mr. Kringler stated if admission standards are raised, we will lose students. He believes it is important to give the campuses a formal opportunity to provide feedback on the plan and give them more time to prepare for these changes.
Institutional Initiatives
Dr. Bruce Smith, Dean of the UND John D. Odegard School of Aerospace Sciences, and Dr. Kelly Rusch, NDSU Vice President for Research and Creative Activities, presented benefits and opportunities of collaboration by the two research universities concerning unmanned aerial systems programs.

Challenge Fund
The Education Challenge Fund was established in 2013 (N.D.C.C. § 15-10-48 through § 15-10-51), and $29,000,000 was appropriated to the fund (Section 2, Senate Bill 2003; 2013 Session Laws, Chapter 34, Section 2). The grant review committee has recommended SBHE approval of the following grants.

1. $250,000 to Minot State University for the Entrepreneurial and Technology Opportunities in Western North Dakota.
2. $16,682 to Mayville State University for the 125th Foundation for Educational Excellence Campaign.
3. $25,000 to University of North Dakota for the James & Verna Johnson Law Scholarship Endowment.
4. $25,000 to University of North Dakota for the Poolman Student Leadership Academy Endowment
5. $25,000 to University of North Dakota for the Drs. Christopher & Allison Clapp Anderson Scholarship Endowment.
6. $25,000 to University of North Dakota for the Niles Family Scholarship Endowment.
7. $25,000 to University of North Dakota for the Chad & Stacy Watcher Family Scholarship Endowment.
8. $25,745 to University of North Dakota for the Stuart M. Charlesworth Endowment.
9. $25,000 to University of North Dakota for the Phyllis and Dr. Homer Rovelstad Endowment.
10. $27,300 to University of North Dakota for the Robert M. Olafson Endowment.
11. $25,000 to University of North Dakota for the Burgum Scholar Endowment.
12. $25,000 to University of North Dakota for the Rick & Lori Lee Scholarship Endowment.
13. $50,000 to University of North Dakota for the Lanterman Educational Leadership Dean’s Endowment.
14. $25,000 to University of North Dakota for the Mary Heather MacMaster Gifted and Talented Endowment.
15. $25,000 to University of North Dakota for the Kriegl and Gorter Family Endowment.
16. $50,000 to University of North Dakota for the UND Aviation Community Involvement Endowment.
17. $25,000 to University of North Dakota for the Daryl L. and Diane A. Anderson Endowment.
18. $58,334.50 to University of North Dakota for the Judy L. DeMers Endowment
19. $25,000 to University of North Dakota the John & Kaye Hoffert Sports Business Endowment.
20. $50,000 to University of North Dakota for the Collaborative Energy Complex.
21. $25,000 to University of North Dakota for the Leslie Johnson Aldrich School of Law Endowment.
22. $25,000 to University of North Dakota for the Jack Marcil Law School Scholarship Endowment.
23. $25,000 to University of North Dakota for the Altringer Family Medicine Scholarship Endowment.
24. $25,000 to University of North Dakota for the Dr. Philip and Sandy Barney Medical Scholarship Endowment.
25. $333,500 to University of North Dakota for the College of Business & Public Administration Building.
26. $250,000 to University of North Dakota for the College of Business & Public Administration Building.
27. $25,000 to University of North Dakota for the Mary K. Fischer Endowment.
28. $25,000 to University of North Dakota for the Dr. Walter Wasdahl and Dr. Robert and Kay Hedger Endowment.
29. $36,500 to University of North Dakota for the Dr. G. Frank Welsch Scholarship Endowment.
30. $200,000 to University of North Dakota for the Gisi Executive Scholar Program Endowment.
31. $35,000 to University of North Dakota for the Mike & Lori Hendrickson Scholarship Endowment.
32. $25,000 to University of North Dakota for the Lisa & Todd Barnes Scholarship Endowment.
33. $100,000 to University of North Dakota to the Jeff & Kim Vigen Endowment.
34. $25,000 to University of North Dakota for the David A. Veecher Scholarship Endowment.
35. $27,112.78 to University of North Dakota for the National Society Daughters of the American Colonists Recruitment/Retention of American Indians into Nursing Scholarship at University of ND.
36. $37,500 to University of North Dakota for the Aerospace: Omega Endowment #1.
37. $50,000 to University of North Dakota for the Aerospace: Omega Endowment #2.
38. $25,000 to University of North Dakota for the College of Business/Chad & Stacy Watcher Endowment.
39. $27,642.50 to Mayville State University for the 125th Anniversary Annual Academic Scholarship Campaign.
40. $150,000.00 to North Dakota State College of Science for RDO Equipment Company Endowment.
41. $136,150.00 to Lake Region State College for Endowments for Scholarships and Program Support.
42. $125,000.00 to Lake Region State College for Education Infrastructure: Upwards with Technology for Health.
43. $25,000.00 to University of North Dakota for the Dr. Robert and Llze Sando Scholarship Endowment.
44. $25,000.00 to University of North Dakota for the Wayne & DeAnna Zink Family Endowment.
45. $37,500.00 to University of North Dakota for the Harold L. and Io A. Severson business of Energy Endowment.
46. $203,716.30 to North Dakota State University for the Food Production Laboratory Complex

Hjelmstad moved, seconded by Morton, to approve the Challenge Fund grants. Hoffarth, Hjelmstad, Espegard, Neset, Morton, Diederich, Shaft, and Reichert voted yes. The motion carried.

Pathways
Board Chair Diederich stated that the purpose of the special January 17, 2014, meeting was to discuss the goals of the Pathways plan and strategies used to reach them. At that meeting, she asked Board member Grant Shaft to propose a resolution. He responded by submitting a draft to the Board.

Board Chair Diederich requested feedback from the other Board members on the resolution. The majority of the Board members stated the Board should set goals rather than operational plans, Chancellor and the institutions should have the opportunity to provide methods on how to achieve the goals, and the resolution offers an opportunity for the institutions to provide more feedback for the Board’s consideration.

Mr. Shaft indicated the resolution is only a draft and agreed that the institutions will now have another opportunity to bring their input to the Board. He stated he is open to changing the timeline as long as the plan continues moving forward. He indicated that it is the Board members’ responsibility to make some difficult decisions; not every suggestion the institutions bring back will be agreed to.

Interim Chancellor Skogen asked the Board to vote against the proposed resolution. He said there were problems with the resolution and indicated the Pathways plan needs additional review by all stakeholders. He asked the Board to empower him to work with the Presidents to come back to the Board with an operational plan that will meet the Board’s goals.

Board Chair Diederich agreed with Interim Chancellor Skogen. She indicated there is a difference of opinion regarding the governance model for the Board. She believes the Board should establish the goal or objective, and the chancellor/presidents should focus on the means to accomplish that objective. The roles and responsibilities taskforce is currently working on this issue.

The Presidents agreed they would like the opportunity to provide additional input on the Pathways plan and its implementation.

Shaft moved, seconded by Morton, to amend the resolution and have the Interim Chancellor fill in the proper date. Espegard, Neset, Diederich, Hjelmstad, Reichert, and Hoffarth voted yes. The motion carried. The resolution as amended stated:

**RESOLUTION**

**Whereas**, the North Dakota State Board of Higher Education (“Board”) adopted the North Dakota University System Pathways to Student Success, in its November 20, 2012 version (“Pathways”);

**And Whereas**, by adopting Pathways the Board intended to implement initiatives contained within Pathways to achieve the following for its eleven institutions:

1. Establish a mission driven university system in which all institutions work in concert to make student’s educational goals their highest priority;

2. Increase access to the eleven institutions by clearly differentiating the three types of institutions constituting the North Dakota University System and establish criteria based admissions standards which reflect the distinct missions of the institutions.
The admissions standards are to be comprised of indicators including high school GPA, core subject course completion and ACT composite score.

3. Increase **quality** by aligning secondary and postsecondary standards and expectations which will include the creation of a North Dakota High School to College Success Report to be provided to parents, educators, and policymakers with feedback on how K-12 students perform at the postsecondary level;

4. Increase **affordability** by the expansion of the present financial aid program to include more need-based aid as well as support for the adult learner population.

5. Increase **accountability**, by providing uniformity for the ratio of in-state and out-of-state tuition and a uniform tuition model along with standardizing tuition-waiver practices and transparency in non-mandatory fees;

6. Increase **learning** by ensuring student readiness for the postsecondary level through mission driven admission standards resulting in a more careful alignment of students with institutional mission and resources;

**And Whereas**, the Board, through its Chancellor and university system staff have attempted to introduce Pathways to its higher education constituencies by meeting with and engaging legislators, educators, and various constituencies within and outside the university system;

**And Whereas**, the Board, through its Chancellor and university system staff engaged campus leadership within NDUS regarding refinements to the Pathways plan to ensure its successful implementation;

**And Whereas**, the Board has determined that it would like additional input from the campus leadership as to whether Pathways needs further refinement in an effort to improve the Pathways plan;

**Now, Therefore**, upon motion duly made and seconded, it is **RESOLVED** by the North Dakota State Board of Higher Education as follows:

1. The Board continues to fully support the Pathways plan.

2. That the Board wants to further ensure that campus leadership has had every opportunity to review and comment on the Pathways plan.

3. That the campus leadership for each of the eleven institutions and the Chancellor shall provide the Board with any suggested revisions to the Pathways plan, subject to the following:

   a. Such suggestions shall be submitted to the Board no later than ____________.

2. That upon receipt of any suggested revisions from campus leadership, the Board will undertake a process, to be established at a later date, to consider the suggested revisions, including any follow-up information gathering from campus leadership and/or outside experts.

Dated this 30th day of January, 2014.
Financial and Facility Consent

- Authorize NDSU Extension Service to increase spending for the North Dakota 4-H Camp project from $1,900,000 to $2,600,000, an increase of $700,000, to be paid from other funds; continue fundraising campaign until the additional $700,000 is raised; seek Budget Section approval for the increase in spending per NDCC 15-10-12.1; and to proceed with the project once all approvals have been received.

- Authorize NDSU to proceed with the replacement of a low-rise lavatories renovation project, Phase II at an estimated cost of $1,030,000 to be funded from auxiliary local funds.

- Authorize NDSU to proceed with the replacement of a low-rise lavatories renovation project in Dinan Hall, Phase III at an estimated cost of $1,085,000 to be funded from auxiliary local funds.

- Authorize NDSU to proceed with the Memorial Union Freight Elevator Upgrade at an estimated cost of $300,000 to be funded $100,000 appropriated operating funds and $200,000 auxiliary local funds. Request further authorization to transfer $100,000 of funds from operating to the capital assets line item per section 35 of SB2003.

- Authorize UND to raise funds of up to $6,000,000 to support the expansion of space available and tailored to enhance student engagement. Funds will be used for renovation and/or new construction.

Hoffarth moved, seconded by Hjelmstad, to approve all facility consent items. Hoffarth, Hjelmstad, Espegard, Neset, Morton, Diederich, Shaft, and Reichert voted yes. The motion carried.

Academic Consent

Stage II Requests – Program Terminations

- NDSU—Request for termination of the B.A. in Accounting; effective immediately
- NDSU—Request for termination of the B.A. in Business Administration; effective immediately
- NDSU—Request for termination of the B.A. in Management Information Systems; effective immediately
- NDSU—Request for termination of the B.A. in Exercise Science; effective immediately
- NDSU—Request for termination of the B.A. in Sport and Recreation Leadership; effective immediately
- WSC—Request for termination of the A.A.S. and Certificate Program in Medical Transcription; effective May 2014

Stage II Requests – New Programs

- NDSU—Request for graduate certificate in Youth Program Management and Evaluation; effective Fall semester 2014
- NDSU—Request for graduate certificate in Youth Development; effective Fall semester 2014
- UND—Request for a new program, M.S. in Curriculum and Instruction; effective Summer semester 2014

Shaft moved, seconded by Hoffarth, to approve all academic consent items. Shaft, Hoffarth, Hjelmstad, Espegard, Neset, Morton, Diederich, and Reichert voted yes. The motion carried.
Board Policy
First Reading

- SBHE Policy 302.1 – Academic, Research, and Student Affairs Committee (Re-establish)
- SBHE Policy 302.2 – Audit Committee (Re-establish)
- SBHE Policy 302.3 – Budget and Finance Committee (Re-establish)
- SBHE Policy 304.1 – Chancellor/Commissioner of Higher Education: Authority and Responsibilities (Amend)
- Human Resource Policy 20 – Leave (Amend; renamed “Other Paid Leave”)

Ms. Glatt requested that on February 27, 2014, when the Budget and Finance Committee policy comes forth for a second reading, the Chair immediately appoint the members due to time constraints. Ms. Hoffarth requested that a staff senate member also serve on those committees.

Board Chair Diederich introduced the North Dakota University System Chief Auditor, Mr. Tim Carlson.

Shaft moved, seconded by Morton, to adjourn at 5:20 p.m. CT. The motion carried.

Approved on February 27, 2014, by the State Board of Higher Education.