North Dakota Board of Higher Education
Meeting Notice and Agenda
October 31, 2014

The State Board of Higher Education Roles and Responsibilities Task Force will meet at 8:30 a.m. CT, October 31, 2014 at North Dakota State University, Old Main 102, President’s office conference room, 1340 Administration Ave., Fargo, ND 58102.

1. Roll Call

2. Approve Agenda

3. Approve February 26, 2014 Minutes

4. Introductory Comments by Dr. Diederich

5. Review and Discuss Roles and Responsibilities Task Force Report, Including Items Upon Which There is Consensus and Items to Discuss for Further Review

6. Discuss Policy Reviews and Policy Governance

7. Discuss and Identify Next Steps

8. Adjourn
North Dakota Board of Higher Education
Roles and Responsibilities Taskforce
February 26, 2014
DRAFT

The State Board of Higher Education Roles and Responsibilities Task Force met at 2:00 p.m. CT February 26, 2014 at Minot State University, Administration building, Jones room, 500 University Ave W, Minot, ND 58707.

Members present:
- Dr. Kirsten Diederich, State Board Chair, Taskforce Chair
- Mr. Don Morton, State Board Member
- Dr. Larry C. Skogen, Interim Chancellor
- Dr. Steve Shirley, Valley City State University President
- Dr. Robert Kelley, University of North Dakota President
- Dr. Dean Bresciani, North Dakota State University President (phone)

Member absent:
- Dr. John Richman, North Dakota State College of Science President

Others present:
- Mr. Larry Isaak, Midwestern Higher Education Compact, President (phone)
- Mr. Murray Sagsveen, Chief of Staff and NDUS Ethics Officer
- Ms. Kirsten Franzen, Chief Compliance Officer
- Ms. Kristie Hetzler, Executive Assistant to the State Board

Approve agenda
Shirley moved, Morton seconded, to approve the February 26, 2014 Roles and Responsibility Taskforce agenda. Diederich, Skogen, Shirley, Kelley, Bresciani, Morton voted yes. Richmond absent. Motion carried.

Approve minutes
Mr. Morton moved, seconded by Kelley to approve the December 4, 2013 Roles and Responsibilities taskforce meeting minutes. Diederich, Skogen, Shirley, Kelley, Bresciani, Morton voted yes. Motion carried. Richmond absent. Motioned carried.

Mr. Larry Isaak Presentation
Mr. Larry Isaak, President of the Midwestern Higher Education Compact (MHEC) gave a presentation on past State Board of Higher Education (SBHE) governance. Mr. Isaak was a past chancellor of the North Dakota University System for nearly ten years; he was named Chancellor Emeritus upon his departure in
October 2003. He is credited with guiding collaborative leadership efforts transforming the North Dakota University System through the North Dakota Higher Education Roundtable, which was proclaimed as a national model for collaborative leadership. Prior to being named Chancellor, he served as Vice Chancellor for Administrative and Student Affairs from 1984 to 1994.

Mr. Isaak informed taskforce members of past roles and responsibilities of the Presidents, Chancellor and SBHE, stating that these have shifted throughout the years. It is important to focus, coordinate, and collaborate through all the changes. Mr. Isaak indicated that the roundtable brought all stakeholders collectively together for a common understanding and direction for higher education. He recommended a similar function be put back in place. Taskforce members agreed that there needs to be an open environment that all stakeholders can have open discussions, similar to the past roundtable meetings. The agendas should not be solely set by the SBHE; all stakeholders should have input.

Mr. Murray Sagsveen noted that the NDUS and SBHE should agree on the organizational structure. He also indicated there is no consistency in the policies now in place. He explained a new process he developed, which includes a cover sheet with every Board agenda item that goes to the SBHE. The cover sheet will provide a recommendation from the Chancellor, but it is ultimately the Board’s decision. Mr. Sagsveen suggested that the SBHE should come to a consensus of what the role of the Chancellor is. After that is established, the policies can be restructured to establish authority, roles, and responsibilities.

Ms. Kirsten Franzen provided a matrix of governance and organization policies. The matrix identifies that there is not a clear, consistent indication of governance. Each policy stands completely independent of one another. She suggested that basic, overall criteria should be established to determine at what level issues go to the Board. Ms. Franzen recommended the taskforce consider a policy on policy structure. A policy on policy structure would help clarify roles and responsibilities.

Interim Chancellor Skogen suggested that policies be cleaned up and restructured. He added that policy making should be proactive rather than reactive. Mr. Sagsveen agreed and suggested that there be one policy that clearly defines the roles and responsibilities of the Presidents, Chancellor, and SBHE. It should also indicate who has the final authority. Board Chair Diederich has concerns that if the Board has delegated the authority to the Chancellor or the Presidents on certain policies, legislators will have a problem with that. Ms. Franzen indicated that there would be input from outside the system stakeholders as well in regards to authority and responsibilities. Her opinion was that the legislators would approve this type of structure because along with authority comes accountability. The taskforce agreed that there are too many policies and not all policies work for each type of institution.

Board Chair Diederich inquired whether moving the Board towards Policy Governance would satisfy the Board’s obligations under the North Dakota Constitution. Dr. Skogen indicated that the Constitution gives the Board overall authority. He is more concerned if the Higher Learning Commission will accept all the Board’s authority and actions. Diederich asked members if the Board was getting too involved in the details of the Pathways to Student Success plan. The members agreed that the Board should set goals and the individual institutions should be responsibility to meet those goals. Institutions will be held accountable to meet the goals set by the Board.
Interim Chancellor Skogen provided a document with seven areas to discuss:

1. What form of governance is intended for the State Board of Higher Education (SBHE)?
   There was discussion on whether the Board should be defined as commission/coordinating board for 11 separate institutions, a governing board of a unified system of higher education, or another form of governance. The system is governed by the SBHE in accordance with the North Dakota Constitution and state statutes and is guided by the Belief Statements and Core Values adopted by the Board (SBHE Policy 100.6). Members inquired on what the administrative roles of the Board were? Clarification on shared governance with the Presidents was also discussed. There are concerns that the Board acts outside of what the Higher Learning Commission accepts in regards to governance.

2. What is a “unified system of higher education?”
   The Taskforce discussed the definition of a “unified system of higher education” and that there is not an agreed upon definition for unified system. There is concern that the uniqueness of each institution makes it difficult to address all campus needs and goals under one overarching system.

3. For whom do the college and university Presidents work?
   The Presidents work for both the Chancellor and the Board. The Presidents “work for” the Board relative to the leadership and administration of respective institutions. The Board will continue to have the authority in regards to hiring/firing presidents. The Presidents “work for” the Chancellor relative to Board delegating specific responsibilities to the Chancellor.

4. How do the presidents report?
   The standard channel of communication with the Board is through the Chancellor. It is expected that Presidents, or their designees, will also have conversations with the Board Chair and/or with all Board members to keep the board apprised of major developments. If other substantive conversations occur, the college or university President and/or a Board member should brief the Chancellor, preferably in advance, or as soon as possible after the event. The standard to be applied in determining the need to inform the Chancellor is “professional courtesy and good faith consideration.” It was suggested that Presidents could go directly to the Board with specific issues, being careful to comply with the open records/meeting laws.

5. Is the Chancellor the CEO of the University System?
   The taskforce agreed that the CEO ensures compliance with SBHE policies, ensures consistency in application of policies and procedures, and performs such duties as delegated by the SBHE. The title “CEO” can cause confusion within the system. The Presidents expressed that their role is CEO of the individual institution and the CEO of the system office is the Chancellor. There needs to be a clear definition of the roles and responsibilities of both the Presidents and the Chancellor. Along with those responsibilities, there should be accountability.

6. Are the existing policies adequate?
There was a consensus that there are too many policies in place at this time. The policies should be overarching to fit all institutions, clearly stating authority, responsibility, and accountability.

7. Is there an organizational chart for the North Dakota University System?
   Dr. Skogen presented the updated organizational chart to the taskforce. The chart illustrates the relationships of the various entities of the system.

Dr. Kelley inquired about adopting a policy in regards to removal of Board members for cause. Ms. Franzen explained that this was a legal issue and impeachment is really the appropriate way to remove a board member.

The taskforce also discussed the roles of the North Dakota University System office (NDUS). There was consensus that a shared service is vital to most of the institutions and to operate as a unified system. NDUS offers support of all types to the various institutions. It is up to the individual institutions at what level they require assistance. The research institutions may require a lot less assistance from the system office; however the office still is the administrative support to the Board on all levels.

The following are topics for further discussion:
- CEO definition and policy review
- Transition to policy governance
- Who do the college and university Presidents work for?
- Consistency in application of policies and procedures
- The roles of the NDUS office
- Agree on essentials and non-essentials of a unified system of higher education
- Responsibilities of the individual institutions
- Do SBHE committees have directive mandates or just recommendations to the full SBHE?
- Risk Management

Dr. Skogen indicated the next step is to expand on the above discussions at the next meeting. He will go back through the report and highlight the areas for further discussion. Policy governance also needs to be determined at the next meeting. Board Chair recommended inviting a spokesperson on Board governance. The consultant would discuss:

- Clearly define authority and accountability of board and staff
- Provide clarity as to what constitutes effective organizational performance
- Board and CEO work together have a clear and unified understanding of effective CEO performance and how to monitor and evaluate it
- Clarify roles, authority, and accountability of directors, officers and board committees

Kristie will contact a spokesperson and schedule him to speak at the next meeting.

Meeting adjourned at 5:15 p.m. CT.
Roles and Responsibilities Task Force Report
2013-14
(Approved by the SBHE xxxxxx)

Overall Purpose and Charge to the 2013-14 Roles and Responsibilities Task Force:
Review the major recommendations from the 2006 Task Force on Clarifying Roles and Responsibilities to determine which statements and resulting policies still have integrity for the University System and which ones should be revisited and possibly revised.

I. Roles and Responsibilities Task Force-2013-14
 o Dr. Kirsten Diederich, State Board President, Task Force Chair
 o Mr. Don Morton, State Board Member
 o Dr. Larry C. Skogen, Interim Chancellor
 o Dr. Dean Bresciani, North Dakota State University President
 o Dr. Robert Kelley, University of North Dakota President
 o Dr. John Richman, North Dakota State College of Science President
 o Dr. Steve Shirley, Valley City State University President
 o Mr. Murray Sagsveen, Chief of Staff and NDUS Ethics Officer
 o Ms. Kirsten Franzen, Chief Compliance Officer
 o Ms. Kristie Hetzler, Executive Assistant to the State Board

II. Fundamental Questions Regarding Areas of Confusion
The seven key areas of confusion addressed by the 2002-04 and 2006 Task Forces on clarifying Roles and Responsibilities are:

1. What form of governance is intended? Is it the intent of the SBHE, the chancellor and the cabinet, in concept and in practice, to have the board serve as:
   a. A commission/coordinating board for 11 separate institutions?
   b. A governing board of a unified system of higher education?
   c. Some other form of governance?

   Conclusion: It is the intent of the SBHE, the chancellor and the cabinet to have the SBHE serve as the governing board of a unified system of higher education.

   AGREED TO? ___ X ___ YES __________ NO

2. What is a “unified system of higher education?”

   Conclusion: “A Unified system of higher education,” for purposes of the North Dakota University System, is understood to mean:
   a. The system is governed by the SBHE in accordance with the North Dakota Constitution and state statutes and is guided by the Belief Statements and Core Values adopted by the Board (SBHE Policy
b. The system is comprised of distinct, entrepreneurial institutions with unique missions working together to maximize their collective capacities to meet the priority needs of students and the state;

X YES NO

X YES NO

c. The board operates at the policy level providing strategic direction, leadership and an environment conducive to success for each institution and the system as a whole;

X YES NO

d. The chancellor is the chief executive officer of the University System and is empowered by the board to provide the leadership necessary and to act on behalf of the board to achieve the vision, mission, and long-range goals for the University System adopted by the board;

X YES NO (Constitutionally mandated)

TOPICS FOR FURTHER DISCUSSION:

- Define CEO for the purposes of this statement.
  - CEO of the system and system responsibilities
  - Ensures compliance with SBHE policies
  - Ensures consistency in application of policies and procedures
  - Performs such duties as delegated by the SBHE
  - Collaboration function
  - Coordination function
  - Spokesperson for “system” issues
  - Administrative efficiencies

ADDITIONAL:

- How does shared governance fit into the idea of a CEO of the system?
- How does the Board readdress issues already decided, if needed?

e. Board members, the chancellor, presidents and their representatives or
those acting under their direction have the right and the responsibility to express their views when considering an item the board has under discussion. Once the board takes action on an item, the board members, the chancellor, presidents and their representatives or persons acting under their direction, shall support the board’s position and not advocate against it.

_____ X _____ YES _______________ NO

f. There is partnering, collaboration, and joint ventures involving the various colleges and universities within the University System aimed at achieving the vision and mission in the NDUS Strategic Plan and the expectations of the Roundtable on Higher Education;

_____ X _____ YES _______________ NO

g. There is a balance between providing the necessary flexibility to the colleges and universities to be entrepreneurial and innovative while having the institutions to also cooperate in meeting statewide needs and opportunities. It is the expectation of the board, and thereby the responsibility of the chancellor, to assure the balance is developed and sustained;

_____ X _____ YES _______________ NO

h. Support services are provided where it is more effective and efficient to perform the services in one location or collaboratively rather than on each of the campuses;

_____ X _____ YES _______________ NO

i. There are incentives, rewards and processes which are consistent with the expectations for campuses colleges and universities to function within, and as part of, a unified system.

_____ X _____ YES _______________ NO

j. It is the responsibility of all board members, and particularly the board president, to assure the integrity of the University System is preserved consistent with the University System’s policies and core values.

_____ X _____ YES _______________ NO

The detailed authorities and responsibilities of the SBHE, board president, chancellor and institution presidents, for achieving and sustaining the unified system, are outlined in SBHE Policies, 100.6, 310.1, 304.1 and 305.1, respectively.
3. **For whom do the college and university presidents work?**
   a. The chancellor?
   b. The board?
   c. Both the chancellor and board?

**Conclusion:** The presidents work for both the chancellor and the board.

__________ YES ______________ NO

**TOPICS FOR FURTHER DISCUSSION:**
- Leadership is contextual
- Presidents “work for” the Board relative to the leadership and administration of respective institutions
- Presidents “work for” the chancellor relative to Board delegated responsibilities of the chancellor
- Board remains the hiring/firing authority over presidents

4. **How do the presidents report?** What is the standard or official channel of communication?
   a. Directly to the chancellor?
   b. Directly to the board presidents?
   c. Directly to individual board members?
   d. Directly to the chancellor and through the chancellor to the board?
   e. Directly to the chancellor and through the chancellor to the board with follow-up discussions as necessary;
   f. Other or modifications of the above?

**Conclusion:** The standard channel of communication with the board is through the chancellor to the Board. It is expected that presidents, or their designees, will also have conversations with the board president and/or with all board members to keep the board apprised of major developments. If other substantive conversations occur, the college or university president and/or a board member should brief the chancellor, preferably in advance, or as soon as possible after the event. The standard to be applied in determining the need to inform the chancellor is “professional courtesy and good faith consideration.”

_____ X _____ YES ______________ NO

5. **Is the chancellor the CEO of the University System? If not, who is?**

**Conclusion:** The chancellor is the CEO of the University System.

_____ X _____ YES ______________ NO
TOPICS FOR FURTHER DISCUSSION: (Repeated from an earlier section)

- Define CEO for the purposes of this statement.
  - CEO of the system and system responsibilities
  - Ensures compliance with SBHE policies
  - Ensures consistency in application of policies and procedures
  - Performs such duties as delegated by the SBHE

6. Are the existing policies adequate? Do existing board policies regarding the SBHE, board members, chancellor and institution presidents accurately reflect the intent of the board regarding authority, roles and responsibilities? Are changes in policies or practices needed?

Conclusion: The 2006 task force did not identify needed changes to policies. Instead, the task force concluded: The appropriate structure and mechanisms are in place. There is no need to spend a considerable amount of time and energy making major revisions to the structure of the University System or the mechanisms. The major effort needs to be focused on doing what needs to be done.

____________ YES _______ X _______ NO

Policy Governance Model Discussion

7. Is there an organizational chart for the North Dakota University System? Is there a chart that illustrates the relationships of the various entities of the system?

Conclusion: (See chart, Section-III, on following page)

OTHER TOPICS FOR DISCUSSION:

- Role of the system office
- Difference of the role of the system office between larger and small institutions
- Limitations of the role of the system office
- Role of the councils to advise the chancellor
- “Commissioner” v. “Chancellor”
- Board Issues:
- Risk management
- Self-assessment
- How does the board self-assess and move forward when there is a split board?
- What are the expectations of board member behavior?
- How does the board “discipline” members for infractions of that behavior?

OVERARCHING THEME:

- What are the agreed-upon essentials for a unified system of higher education?
- Is there agreement that the non-essentials are the responsibility of the individual institutions?
III. Organizational Chart of the North Dakota University System

North Dakota State Board of Higher Education

Chancellor and System CEO

North Dakota University System Office

President North Dakota State University
President University Of North Dakota

President Minot State University

President Dickinson State University

President Mayville State University

President Valley City State University

President Bismarck State College

President Hillsdale State College

President ND State College of Science

President Williston State College

Main Research Station & 6 branches

Extension Service

Crop Service

Northern Crop Institute

Upper Great Plains Transportation Institute

¹ Eight branch research stations: Agronomy Seed Farm-Casselton, Carrington, Central Grasslands, Dickinson, Hettinger, Langdon, North Central and Williston.
IV. Operational Changes

The following actions and changes are operational and included in this report to provide a more complete picture of the actions underway to address the issues raised during the Roles and Responsibilities Task Force discussions relating to improving communication while recognizing variations in size, scope and mission of the 11 institutions of higher education in North Dakota:

1. The agenda for board meetings has been changed to allow the institution (at which the meeting is being held) to alert the board of developments or concerns; i.e., to provide a mechanism and a communications channel which allows presidents to keep the entire board apprised of developments, including new directions, plans or emerging issues, important to the institution;
   __________YES _______________NO

2. In recognition of the variations in size, scope and issues of relevance to the various colleges and universities, the chancellor will meet with the two major research institutions separately, the five community colleges through the College Technical Education Council (CTEC), and with the remaining four-year institutions in whatever format or process these institutions deem to be useful and effective. These meetings or conversations are in addition to the regularly scheduled Chancellor’s Cabinet meetings;
   __________YES _______________NO

3. Any president who would like to brief the board on an item can request to have time on the board agenda to do so; i.e., not wait until the board is scheduled to hold a meeting at the respective institution;
   __________YES _______________NO

4. In an effort to make board meetings as relevant as possible, time will be set aside to discuss major issues impacting North Dakota and/or the University System. The board has accepted the presidents’ offer to help identify the major issues, arrange resource people or presenters and lead the discussion;
   __________YES _______________NO

5. The chancellor is having individual meetings with the presidents. The two purposes of the meetings are to determine: (1) what the chancellor and the University System can do to assist the respective institutions in being as successful as possible, and (2) what the chancellor and system needs from the president to maximize the success of the University System in serving students and the state;
   __________YES _______________NO

6. A special effort is underway, based on recommendations solicited from the Chancellor’s Cabinet, to make cabinet meetings as meaningful, relevant and productive as possible.
   __________YES _______________NO
OTHERS?