

STATE BOARD OF HIGHER EDUCATION
Minutes – March 19, 1998
Bismarck, North Dakota

The State Board of Higher Education met March 19, 1998 at the Student Union on the campus of Bismarck State College. The president called the meeting to order at 8:00 A.M. Members present were:

Paul Ebeltoft, President	Beverly Clayburgh
Joe Peltier, Vice President	Craig Caspers
Cynthia Kaldor	Kay Fulp, Faculty Representative
Jeanette Satrom	

Mr. Hoeven and Mr. Waslaski were absent.

Presidents and Executive Deans present were:

Dr. Ken Baker, UND	Dr. Thomas Plough, NDSU
Dr. Ellen Chaffee, MaSU/VCSU	Dr. Erik Shaar, MiSU/MiSU-BC
Dr. Phil Conn, DSU	Mr. Garvin Stevens, UND-W
Dr. Sharon Etemad, UND-LR	Dr. Wayne Boekes, BSC
Dr. Jerry Olson, NDSCS	

Staff members present were:

Larry A. Isaak, Chancellor
Michel Hillman, Vice Chancellor for Academic Affairs
Laura Glatt, Vice Chancellor for Administrative Affairs
H. P. Seaworth, General Counsel & Executive Secretary
Cathy McDonald, Director of Finance
Stacy Herron, Director of Communications
Eddie Dunn, Executive Director, College Technical Education Council
Peggy Wipf, Director of Financial Aid
Carol Asplund, Administrative Officer

Representative George Keiser attended a portion of the meeting.

Minutes

It was moved by Mrs. Satrom, seconded by Mr. Caspers, and unanimously carried to approve the minutes of the February 19-20, 1998 meeting as distributed.

Board President's Report

Mr. Ebeltoft made the following statement:

“Governor Schafer has told us, by requesting a 95% budget, he intends to promote serious thought about priorities and how state agencies can best provide the services North Dakotans demand. He has included the North Dakota University System in the request for a 95% budget.

“Governor Schafer has a hard job. He has a billion dollar budget to create and to do so he has to deal with federal mandates, with soft dollars, with hard heads, and a great deal of political pressure. So I sympathize with his situation and I understand the difficulties he has to deal with in framing a budget.

“What he asks of the North Dakota University System is to prioritize programs and to focus on missions and goals. The surprise to me is that the request is being made as though we have not been doing this already. I don’t think it is news that the North Dakota University System has been focusing on missions, goals and priorities for quite some time. Not trying to draw a timeframe around our actions in this regard, I would simply like to remind everyone that since February of last year, this Board has worked hard to try to build a prioritized, goal oriented public agenda for higher education in North Dakota.

“In fulfilling a statutorily mandated planning process we, on our own initiative, engaged in one of the broadest based planning processes ever utilized in higher education. What was our task? Our task was to prioritize the long term goals of higher education in North Dakota, including defining and meeting student and institutional expectations regarding teaching, learning, curriculum, quality of campus life, and educational services. We were to develop specific directions for the pursuit of goals given priority. We were to develop measurable criteria in order to determine the rate of progress towards achieving the goals given priority and to develop specific timelines within which the goals given priority must be attained. We asked for input from an unprecedented number of citizens and constituents. We asked the Governor, the legislature, students, faculty, parents, and taxpayers, and we listened to what they said. We then created a six-year plan which, on a campus-by-campus basis, creates an action list prioritized, measurable and achievable. We were praised for our efforts. True, our goals were high. But we identified the goals we need to keep us competitive in the educational market place and higher education is just as much a competitive market place as is the market place for a new Ford, a new Chevy, or a foreign automobile.

“True, our cost estimates were substantial. But, it is important to remember that the estimates represented no more substantial a portion of the state budget than we had in higher education 20 years ago. What we sought to do is something Governor Schafer has himself at other times asked: ‘to be entrepreneurial, to add value to our product.’ The six-year plan adds value to the educational product here in North Dakota.

“In my estimation, the Board of Higher Education needs to comply with the Governor’s request for a 95% budget. He’s working in good faith to put together a budget and I think we need to cooperate in the process. But, in my estimation also, this Board has a duty to ask for, to promote, and to actively support a budget that will fund what the six-year plan says we will need to compete in the market place of ideas. In my estimation, a 95% budget will kill the six-year plan and require the Board to severely limit access to higher education in North Dakota. Neither is an option that we should accept, without first developing and then aggressively promoting a budget necessary to fulfill the plan. Neither the option to kill the six-year plan nor the option to severely limit access are options we should take just

because we were asked to. The Governor and the legislature have to be given a chance to do what's best for higher education in North Dakota. They have to be given an option to make the engine of higher education work. Higher education is the engine empowering economic development. Higher education is also the engine driving tax revenues. Higher education empowers the people of this state. We have to give the Governor and the legislature the option of keeping that engine running as smoothly as possible. The only entity, it seems to me, that can give the Governor and the legislature this vision is the State Board of Higher Education. One way we can do that is by presenting and promoting, as the sensible choice, a budget that will fund the six-year plan. It is my intention to encourage the Board to do so."

Chancellor's Report

FINDET Report

Chancellor Isaak called on Mr. Dunn, Ms. Rittel, and Dr. Hillman to present the result of the Follow-up Information on North Dakota Education and Training (FINDET) initiative. Mr. Dunn said the program was begun about four years ago in cooperation with 14 other agencies for the purpose of providing better information to students for career information, for program decisions at the institutional level, and because of requests for information from policy makers. Ms. Rittel said the data from the past three years shows that more than 50% of the graduates at North Dakota institutions stay in the state, either employed, furthering their education, or both. Of the 80% of North Dakota graduates who are residents, 60% stay in the state. The data also shows that the more education the graduate has, the higher their wages.

Dr. Hillman said the student progress and achievement cooperative (SPARC) initiative would complement FINDET and would track students within the University System for information on transfer and how well students are doing in higher education. Dr. Hillman said the Teacher Education Council will be studying the teacher supply and demand issue after reporting on other progress at the June meeting. The information available shows that from 1993-95 there were 4,000 teachers certified in the State and over 50% of those stayed in North Dakota. Also, 73% of the 50% are directly employed in education services. Chancellor Isaak encouraged the Board and the presidents to actively dispel the rumors that most graduates from the University System institutions leave the state to find employment.

Ms. Rittel has resigned her position in the System office. The Board Members and Chancellor Isaak thanked Ms. Rittel for the leadership she has taken in the areas in which she works in the System Office.

Dr. Plough's Evaluation

Chancellor Isaak made the following comments regarding Dr. Plough's evaluation. He has done an outstanding job during his three years as president at NDSU.

- ◆ He has restored stability and confidence at NDSU from the perspective of students, faculty, staff, alumni, and state citizens.
- ◆ Dr. Plough has an effective management style that allows individuals to perform their duties with freedom and without fear.

- ◆ He has emphasized broad scholarship and teaching while continuing a solid focus on outreach and also on research.
- ◆ He has developed a solid and confident working relationship with the legislature, the governor, other state officials, and this Board.
- ◆ A comment from an individual sums it up: He has brought integrity and pride to NDSU.

The Chancellor said there are always a number of challenges facing a college president and continued challenges for Dr. Plough will be an adequate resource base to keep students, faculty and staff at NDSU. If resources remain constrained, all campuses, including NDSU, will continue prioritizing services and programs and this will be the primary challenge. A continuing challenge is that Dr. Plough is viewed by legislators and the Fargo community as a key player and they continue to desire interaction with him on a one-on-one basis.

Chancellor Isaak complimented Minot State University on receiving a ten-year North Central reaccreditation.

The Chancellor said the Cabinet, because of the request for a reduced budget for 1999-2001, delayed action on implementing SAGE, the new administrative system.

Chancellor Isaak encouraged Board members to attend the faculty conference in Bismarck in April.

Dr. Baker gave an update on the progress of retiring the debt at the John Odegard School of Aerospace Sciences and expects to retire the debt fully by July 1, 1998.

Student Association Report

Willy Maxwell said new officers were elected for 1998-1999. Ms. Diane Lochner from UND is the new president of NDSA. Jason Isaakson was selected as lobbyist for the 1999 legislative session. NDSA has submitted three nominees to the governor for appointment of the student member on the Board. The Student Association will forward a resolution to the Board regarding tuition increases.

Council of College Faculties Report

Ms. Fulp said she is looking forward to the faculty conference and the participation of Board members. She had no further report.

Special Orders

Governor Schafer addressed the Board at this time. He said higher education is a priority in the state and he is looking to the Board to shape the future of the higher education system. The Governor said the budget process is probably the single most important policy-making decision the Board can put in place for higher education. He said

the Board has an opportunity, with the 95% budget request, to create a university system that works for the people of North Dakota and provides a quality education for students that will prepare them for the jobs in this state.

Governor Schafer said North Dakota is one of the top-ranked states in per capita expenditures for higher education, but at the same time has a low expenditure per student. He said North Dakota is taxing the resources at about the right level. Also, higher education in the State is still affordable. The Governor said there is not enough money to fit the system, so the system must be adjusted to fit the financial capability of the state. He asked the Board to be involved in preparing a 95% budget to redesign a system of higher education that is affordable and that meets the needs of the students and their future employment in the State of North Dakota. Governor Schafer said he did not want a 5% across-the-board cut, but asked that the Board look at every program, the priorities of the system, every institution, and every historical delivery mechanism and ask if it fits and works today. He said he will review the budget request and determine if priorities will be added back into the budget that is presented to him.

The Board thanked Governor Schafer for coming to the Board meeting.

1997-98 Student Charges Report

Ms. McDonald reviewed a report on 1997-98 student charges, including tuition, fees, room and board, and how North Dakota compares to the region and nation. She said during the academic year 1997-98 the cost at UND and NDSU is \$5,696 or 10% less than the regional average rate of \$6,261. At Minot State University total charges are \$4,542 or 25% less than the regional average of \$5,674. The average cost at DSU, VCSU, and MaSU is \$4,662 while the regional average is \$5,661 or 21.4% more. Tuition and fee rates at North Dakota's two-year colleges continue to be higher than both the regional and national averages. North Dakota's average is approximately \$245 or 15.6% more than the regional and \$322 or 21.5% more than the national average. McDonald reviewed tuition and board and room guidelines adopted by the Board in June 1996. A copy of the complete report is filed in the System Office.

1998-99 Board, Room, and Fees Rates

Ms. McDonald reviewed the proposed 1998-99 board, room and fee rates. **It was moved by Mr. Peltier**, seconded by Mrs. Clayburgh to approve the rates as requested. Mrs. Kaldor, Mr. Peltier, Mrs. Satrom, Mrs. Clayburgh, Mr. Caspers, and Mr. Ebeltoft voted aye. The motion carried. The report is attached to original minutes.

1998-99 Tuition Options

Ms. Glatt reviewed tuition increase scenarios requested by the Board at the February meeting. The purpose of optional increases was to alleviate anticipated revenue shortfalls due to enrollment declines. Additional tuition optional increases presented, above those approved at the February 1998 meeting, range from \$135 at NDSU/UND to \$0 at the two-year campuses and would result in additional collections of \$605,597 to \$4,106,307 during 1998-99. Ms. Glatt said the Cabinet reviewed the options and it was their recommendation not to raise tuition more than \$125 at UND/NDSU; \$90 at MiSU;

\$75 at DSU, VCSU, MaSU; and \$0 at the two-year campuses. These tuition rates were included in the 1997-99 appropriation and approved by the Board. In addition, the campuses have been recruiting based upon these rates. The Board took no further action.

State Grant Allocation

Ms. Wipf reviewed the State Student Incentive Grant Advisory Board's recommendation relative to the distribution of State Grant dollars. **It was moved** by Mrs. Satrom, seconded by Mrs. Clayburgh to distribute the 1998-99 State Grant funds as follows: 17-20 percent for the independent, non-profit colleges and universities; 3-4 percent for the tribal colleges; and 76-78 percent for the state institutions, and that the State Grant award to each eligible student remain at \$600. Mrs. Kaldor, Mr. Peltier, Mrs. Satrom, Mrs. Clayburgh, Mr. Caspers, and Mr. Ebeltoft voted aye. The motion carried.

The Board requested that a status report on the Professional Student Exchange Program, Scholars' and State Grant programs allocation for 1998-99 be presented in April since these programs will have to be reduced in light of a potential 5% budget reduction.

Report on FEMA Reimbursement at UND

Dr. Baker and Alice Brekke, Director, Budgets and Grants Administration, said FEMA has reviewed insurance policies carried by the University of North Dakota and has identified the insurance carriers as potential sources of reimbursement of \$8.6 million for flood damage. FEMA regards its public assistance program as a funding source of last resort. While UND is pursuing reimbursement from insurance companies, FEMA is withholding funds which results in a cash flow problem and additional interest expenses related to the cash flow loan at the Bank of North Dakota. Ms. Brekke said in past emergencies, it has been FEMA's policy to reimburse for all eligible damages and then accept repayment from insurance proceeds. UND will seek help from the Congressional delegation to ask FEMA to reimburse for the damages before the insurance proceeds become available. She said FEMA regulations require that UND maintain flood insurance which is costly with few carriers providing flood insurance of this magnitude. Ms. Brekke gave some costs of repair of flood damage and an estimate of the state's share of the cost. The state's match on repairs only is estimated to be \$3.5-\$4.5 million at the present time.

Financing Higher Education – How Does ND Compare?

Ms. Glatt presented a comparison of higher education statistics compiled from the *State Profiles: Financing Public Higher Education 1997 Rankings* prepared by Kent Halstead of Research Associates of Washington. The summary of the report's findings include:

- ◆ Although high school graduates continue to decline in ND, the number of students continuing on to higher education continues to increase.
- ◆ In 1996-97, ND public higher education received 8.3% of state and local budgets which is higher than the national average of 6.0%. This is related to the large number of students in ND relative to its population and budget size.

- ◆ The appropriations per student in 1996-97 was \$3,913 which is much less than the national and regional averages.
- ◆ Total budget allocations per student from both state appropriations and tuition and fees continue to lag the regional and national averages by \$1,191 and 1,359 respectively.
- ◆ Tuition and fees paid by ND students cover 34.7% of the total instructional budget allocations. Nationally and regionally, tuition and fees paid by students are roughly 31.4%.

Ms. Glatt said she will forward copies of the entire study to Board members.

Biennial Budget Guidelines for the 1999-2001

Ms. Glatt reviewed with the Board comparisons of the 1997-99 appropriation and the requested 95% budget for the 1999-2001 biennium. A net change of a 5% general fund decrease and projected decrease in tuition revenue could result in a loss of \$26,313,484. When inflation, an increase in utilities, and continuing the 98-99 salary increase are added, the loss could total \$38,095,749 for all entities of the University System. The Board discussed proposed guidelines to help the campuses prepare the 95% budget. Cabinet members commented on the impact of a 95% budget. Mr. Ebeltoft said the Board does not want the campuses to prepare the budgets with across-the-board cuts but show which programs and/or services will be eliminated.

It was moved by Mr. Peltier that the Board direct the Chancellor's Cabinet to present to the Board in April 1998 options and priorities related to the needs identified in support of the Board's Six-Year plan and other one-time needs identified by the Chancellor's Cabinet, and in the alternative the Board directs each institution and entity to develop a 95% general fund budget for the 1999-2001 biennium as requested by Governor Schafer. In doing so the Board directs institutions to make reductions to reflect reductions in programs, not across-the-board cuts. There was no second.

Mrs. Kaldor moved to direct the campuses to prepare a needs-based budget. There was no second to the motion.

It was moved by Mrs. Satrom, seconded by Mr. Peltier that the Board directs each institution and entity to develop a 95% general fund budget for the 1999-2001 biennium as requested by Governor Schafer. Also, in keeping with Governor Schafer's guidelines which allow for agencies to submit operational needs based budget, the Board directs the Chancellor's Cabinet to present to the Board in April '98 options and priorities related to the needs identified in support of the Board's six-year plan and other one-time needs identified by the Chancellor's Cabinet. Mr. Peltier, Mrs. Satrom, Mrs. Clayburgh, and Mr. Caspers voted aye. Mrs. Kaldor and Mr. Ebeltoft voted no. The motion carried.

Ms. Glatt said the Board would have an opportunity at the May meeting to review the preliminary program and service reductions related to the 95% budget.

Small Campus Pool Allocation

Ms. Glatt reviewed proposed projects submitted by the campuses requesting funds from the \$125,000 remaining in the small campus project pool (a \$500,000 total) appropriated by the 1997-99 legislature. **It was moved** by Mrs. Clayburgh seconded by Mrs. Kaldor to distribute the funds remaining in the pool for the projects listed below. Mrs. Kaldor, Mr. Peltier, Mrs. Satrom, Mrs. Clayburgh, Mr. Caspers, and Mr. Ebeltoft voted aye. The motion carried.

UND-LR	Sidewalks & ADA Compliant Restrooms	\$35,000
UND-W	Library Renovation	35,000
MaSU	Emergency Egress/Wiring Upgrade-Theatre	35,000
VCSU	Hazardous Chemical Storage Area	20,000

Report on UND Enrollment Count

Dr. Baker said students enrolled but who did not show up for classes were historically counted for the third week enrollment report in the fall. They were not counted in the spring enrollment count. This practice was discontinued after 1996. Dr. Baker said when Ms. Alice Poehls was appointed as registrar in 1994, she regarded the procedure as improper and recommended discontinuing the practice. In 1994 the procedure was tightened and only those students on the roll on August 1 were counted since they were admitted, advised, packaged for financial aid, charged with tuition, fees and housing, and had reserved seats in the classrooms. It was decided to phase the practice out over time. After the flood in the spring of 1997, it was decided to accelerate the process to completely eliminate the old counting procedure and establish a foundation that could be documented for the rebuilding of the enrollment at UND.

Dr. Baker said a phasing out over time seemed more prudent than changing the procedure all at one time. He said the practice did not affect the state appropriation UND received and it did not result in any additional benefit from the reciprocity agreement with Minnesota. The credit hours generated by these students between 1992 and 1996 never amounted to more than one-tenth of one percent of the total credit hours generated by UND. Ms. Poehls concluded that the enrollment numbers at UND are now completely accurate.

Consent Agenda

It was moved by Mrs. Clayburgh, seconded by Mr. Caspers to approve the following consent agenda items 1 through 6. Mrs. Kaldor, Mr. Peltier, Mrs. Satrom, Mrs. Clayburgh, Mr. Caspers, and Mr. Ebeltoft voted aye. The motion carried.

1. Accept grants and contracts received by **NDSU, MiSU, and UND.**
2. Permit **ND College of Science** to remove a name from a building (Bute Gym) and to name the Football Stadium the "Earl 'Skip' Bute/Alumni Stadium."

3. Award the contract for upgrading the heating/ventilation systems and providing air conditioning within Dorothy Stickney Auditorium and the Department of Fine Arts located in May Hall at **Dickinson State University** to City Air Conditioning Inc for \$368,000. The project is funded by 1997-99 capital improvement appropriation and unexpended carryover 1995-97 appropriated dollars.
4. Ratify the action of the Vice Chancellor for Administrative Affairs in awarding the engineering contract for parking lot additions and repairs at **North Dakota State University** to Ulteig Engineering. Estimated cost of the project is \$350,000 with funds from parking permit fees and income from the pay and metered lots.
5. Approve the Initial Resolution Authorizing the Issuance of Not to Exceed \$700,000 Student Center Refunding Revenue Bonds, Series, 1998 at **Mayville State University**.
6. Authorize Bismarck State College to proceed with partial renovation of the Student Union. The estimated cost of the project is \$235,000 funded by auxiliary services funds.

The Board reviewed the bids for Bute Gymnasium/Allied Health Education Center Project at **ND State College of Science**. The total cost to complete the project, including the utility tunnel, voice and data communications, asphalt repair, and sidewalks and curbs, is more than what was approved by the legislature. President Olson said there are funds to cover the costs. **It was moved** by Mrs. Clayburgh, seconded by Mrs. Satrom to award bids, subject to staff review. Mrs. Kaldor, Mr. Peltier, Mrs. Satrom, Mrs. Clayburgh, Mr. Caspers, and Mr. Ebeltoft voted aye. The motion carried.

General	Comstock Construction	\$1,243,500
Mechanical	Peterson Construction	\$ 813,715
Electrical	Nordick Construction	\$ 369,900

300 Governance

Policy

Mr. Seaworth reviewed amendments to the following policies that relate to duties of the Chancellor, the Board president, Board member responsibilities, and performance evaluations.

304.1 Chancellor/Commissioner of Higher Education: Authority and Responsibilities

305.1 Presidents Authority and Responsibilities

310.1 Board President and Member Responsibilities

601.1 Presidential Search and Screening Procedures

604.1 Performance Evaluations: Presidents

604.2 Performance Evaluation: Chancellor

608.1 Executive Contracts (delete)

612 Faculty Grievances

Board members commented on proposed amendments and suggested changes. Following discussion, **it was moved** by Mrs. Clayburgh, seconded by Mrs. Kaldor to table action on the proposed amendments to the policies until the April meeting. Mrs. Kaldor, Mr. Peltier, Mrs. Satrom, Mrs. Clayburgh, Mr. Caspers, and Mr. Ebeltoft voted aye. The motion carried. Exhibit A.

Unless the Board amends the policies, the Board will set the presidents' salaries for 1998-99.

It was moved by Mrs. Clayburgh, seconded by Mrs. Satrom to delegate to the Board president the responsibility of conducting the evaluation of Chancellor Isaak. Mrs. Kaldor, Mr. Peltier, Mrs. Satrom, Mrs. Clayburgh, Mr. Caspers, and Mr. Ebeltoft voted aye. The motion carried.

It was moved by Mrs. Clayburgh, seconded by Mr. Caspers to authorize Chancellor Isaak to draft a contract offering President Plough a three-year contract that could be renewed annually, and also that the contract permit President Plough to exercise his position as a professor of sociology at a future date at an agreed upon percentage of salary at that time. Mrs. Kaldor, Mr. Peltier, Mrs. Satrom, Mrs. Clayburgh, Mr. Caspers, and Mr. Ebeltoft voted aye. The motion carried.

400 Academic Affairs

Policy

Dr. Hillman presented amendments to Policy 406.1 Academic Calendars that coincide with the academic calendars approved by the Board in February. He said the Cabinet reviewed the proposed changes and may bring further amendments at a later time. Dr. Hillman recommended approval on first reading. **It was moved** by Mrs. Kaldor, seconded by Mr. Peltier to approve Policy 406.1 Academic Calendars on first reading. Mrs. Kaldor, Mr. Peltier, Mrs. Satrom, Mrs. Clayburgh, Mr. Caspers, and Mr. Ebeltoft voted aye. The motion carried. Exhibit B.

Programs

Dr. Hillman presented a request from **MiSU-Bottineau Campus** to *terminate* the Flower Shop and Greenhouse Management (AAS) and the Horticulture, Landscaping, and Nursery Practice (AAS) programs, and permit **MiSU-Bottineau Campus** to *offer* the following programs. The new programs are designed to provide students with a course of study that prepares them to seek employment in these fields.

Landscape Design (AAS)

Greenhouse Technology (AAS)

Floral Design (AAS)

Turf Management (AAS)

Mrs. Kaldor **moved** to approve the request from MiSU-Bottineau Campus. Mr. Peltier seconded the motion. Mrs. Kaldor, Mr. Peltier, Mrs. Satrom, Mrs. Clayburgh, Mr. Caspers, and Mr. Ebeltoft voted aye. The motion carried.

Dr. Hillman reviewed UND's request for authority to offer a new program, Instructional Design and Technology, leading to a Master of Science degree or Master of Education degree and to authorize UND to offer the program through distance education. The program is multi-disciplinary in design in order to capitalize on the fields of psychology, education, industrial, and information technology. **It was moved** by Mr. Peltier, seconded by Mrs. Clayburgh to permit the **University of North Dakota** to offer a M.S. and M.Ed. in Instructional Design and Technology and to permit UND to offer the programs through distance education. Mrs. Kaldor, Mr. Peltier, Mrs. Satrom, Mrs. Clayburgh, Mr. Caspers, and Mr. Ebeltoft voted aye. The motion carried.

Dr. Hillman presented UND's request to reverse the termination of the B.S. in Education with a major in Biological and Physical Science and to change the title of the program to a B.S. in Education with a major in Science. **It was moved** by Mrs. Clayburgh, seconded by Mrs. Satrom to permit the **University of North Dakota** to offer a B.S. in Education with a major in Science. Mrs. Kaldor, Mr. Peltier, Mrs. Satrom, Mrs. Clayburgh, Mr. Caspers, and Mr. Ebeltoft voted aye. The motion carried.

Dr. Hillman reviewed NDSU's request to establish the Center for Science and Mathematics Education. The Center will promote excellence in K-16 science and mathematics education by providing an infrastructure for the operation of multiple science and mathematics education projects at NDSU and throughout the state. Initial funding for the proposed Center is anticipated to be approximately \$25,000 provided with institutional discretionary funds through June 1999. By fiscal year 2000, the Center will be self-supporting. The Center is expected to attract \$225,000 in external funds and serve at least 125 K-12 math and science teachers. **It was moved** by Mrs. Clayburgh, seconded by Mrs. Kaldor to permit **North Dakota State University** to establish the Center for Science and Mathematics Education. Mrs. Kaldor, Mr. Peltier, Mrs. Satrom, Mrs. Clayburgh, Mr. Caspers, and Mr. Ebeltoft voted aye. The motion carried.

600 Personnel

Policy

Mr. Sandal reviewed amendments to the following policies and changes to the TIAA/CREF Retirement Contract.

Section 20.3.4, Human Resource Manual

Policy 615 Drug Free Workplace

Policy 703.1 Early Retirement - Section 3(IV)

It was moved by Mr. Peltier, seconded by Mrs. Clayburgh to adopt the changes to the TIAA/CREF retirement contract and approve on first reading the amendments to the policies. Mrs. Kaldor, Mr. Peltier, Mrs. Satrom, Mrs. Clayburgh, Mr. Caspers, and Mr. Ebeltoft voted aye. The motion carried. Exhibit C.

Ms. Fulp asked the System staff to draft a policy prohibiting smokeless tobacco on the campuses.

800 Financial

Report on Lobbyists

At the request of the Board, Dr. Baker and Dr. Plough reported their recommendations on UND and NDSU lobbyists in Washington, D.C. It was their recommendation that UND and NDSU each have a lobbyist. Two of the reasons given were because there may be a conflict of interest in representing two universities and the workload may be too much for one person. Following discussion, **it was moved** by Mrs. Clayburgh, seconded by Mr. Peltier to approve new Policy 811 Contracts with Lobbyists on first reading. Mrs. Kaldor, Mr. Peltier, Mrs. Satrom, Mr. Hoeven, Mrs. Clayburgh, Mr. Caspers, and Mr. Ebeltoft voted aye. The motion carried. Exhibit D.

Policy

Mr. Seaworth reviewed amendments to Policy 803.1 Purchasing Procedures and recommended approval on first reading. Amendments are necessary to comply with the recommendations of the State Auditor's Office. **It was moved** by Mrs. Satrom, seconded by Mrs. Clayburgh to approve Policy 803.1 on first reading. Mrs. Kaldor, Mr. Peltier, Mrs. Satrom, Mrs. Clayburgh, Mr. Caspers, and Mr. Ebeltoft voted aye. The motion carried. Exhibit E.

Board Members

Mr. Peltier, Mrs. Clayburgh, Mrs. Satrom, and Ms. Fulp attended the Legislative Summit meeting in Grand Forks.

Campus Reports

The Board accepted the campus reports.

Public Comment

There was no public comment.

The meeting adjourned at 5:00 P.M. The next meeting of the State Board of Higher Education will be April 16 and 17, 1998 at North Dakota State University.